DOCUMENT RESUME

ED 407 606 CE 074 087

AUTHOR	Bloom, Dan; And Others
TITLE	The Family Transition Program: Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program.
INSTITUTION	Manpower Demonstration Research Corp., New York, N.Y.
SPONS AGENCY	Florida State Dept. of Health and Rehabilitative Services, Tallahassee.; Department of Health and Human Services, Washington, D.C.; Ford Foundation, New York, N.Y.
PUB DATE	May 97
NOTE	181p.
AVAILABLE FROM	Manpower Demonstration Research Corporation, 16 East 34th Street, New York, NY 10016.
PUB TYPE	Reports - Research (143)
EDRS PRICE	MF01/PC08 Plus Postage.
DESCRIPTORS	Employment Programs; *Family Programs; Program Effectiveness; *Program Implementation; Questionnaires; *State Programs; Statewide Planning; Tables (Data); *Transitional Programs; Welfare Recipients; *Welfare Services
IDENTIFIERS	*Florida; *Welfare to Work Programs

ABSTRACT

Florida's Family Transition Program (FTP) combines a welfare time limit of 24-36 months with services, requirements, and financial incentives designed to help welfare recipients find and hold jobs. Aid to Families with Dependent Children (AFDC) applicants who were not incapacitated, disabled, or otherwise exempt from the FTP program were randomly assigned to the FTP and control groups. The FTP's impacts from the time of its enactment in early 1994 through July 1996 were examined by reviewing data from the following sources: periodic visits to FTP service centers; surveys of all FTP, AFDC, and Florida's Project Independence staff; surveys of FTP and control group members; and reviews of computerized records of monthly AFDC and Food Stamp payments in Florida and casefile data. It was concluded that the FTP has generated modest increases in employment and earnings among participants, helped generate an increase in family income without raising welfare spending, and reduced spending on Food Stamps. A multistep process was established to review the cases of the few FTP participants who had reached their benefits time limit. (Appended are supplemental tables and figures and the items used to create scales for staff survey responses. Thirty-three tables/figures and 11 references are included.) (MN)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 407 606

FTP

The Family Transition Program:

Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program

Dan Bloom
James J. Kemple
Robin Rogers-Dillon

May 1997

Manpower Demonstration Research Corporation

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

MDRC

CE 077 037

BEST COPY AVAILABLE

BOARD OF DIRECTORS

RICHARD P. NATHAN, *Chairman*
Provost, Rockefeller College
State University of New York
Director, Rockefeller Institute
of Government

PAUL H. O'NEILL, *Treasurer*
Chairman and CEO
Alcoa

ELI GINZBERG, *Chairman Emeritus*
Director
The Eisenhower Center for the
Conservation of Human Resources
Columbia University

MARY JO BANE
Professor of Public Policy
John F. Kennedy School of Government
Harvard University

REBECCA M. BLANK
Professor of Economics
Northwestern University

ANTONIA HERNANDEZ
President and General Counsel
Mexican American Legal Defense and
Educational Fund

ANNA KONDRATAS
Senior Associate
Urban Institute

RICHARD J. MURNANE
Professor of Education
Graduate School of Education
Harvard University

RUDOLPH G. PENNER
Director of Economic Studies
Policy Economics Group
KPMG Peat Marwick

ROBERT REISCHAUER
Senior Fellow
Brookings Institution

ROBERT SOLOW
Institute Professor
Massachusetts Institute of Technology

GILBERT STEINER
Senior Fellow
Brookings Institution

MITCHELL SVIRIDOFF
Professor Emeritus and Senior Fellow
Community Development Research Center
New School for Social Research

WILLIAM JULIUS WILSON
Malcolm Wiener Professor of Social Policy
John F. Kennedy School of Government
Harvard University

JUDITH M. GUERON
President
Manpower Demonstration Research Corporation

FTP

The Family Transition Program:

Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program

Dan Bloom
James J. Kemple
Robin Rogers-Dillon

May 1997

Manpower Demonstration
Research Corporation

MDRC

The Manpower Demonstration Research Corporation's evaluation of Florida's Family Transition Program has been funded by a contract with Florida's State Department of Health and Rehabilitative Services (now called the Department of Children and Families) and with support from the Ford Foundation and the U.S. Department of Health and Human Services.

Dissemination of MDRC publications is also supported by MDRC's Public Policy Outreach funders: the Ford Foundation, the Ambrose Monell Foundation, the Alcoa Foundation, and the James Irvine Foundation.

The findings and conclusions presented in this report do not necessarily represent the official positions or policies of the funders.

Copyright © 1997 by the Manpower Demonstration Research Corporation

Contents

Preface		vii
Acknowledgments		ix
Executive Summary		ES-1
1	**Introduction**	1
	I. The Policy Context of FTP	2
	II. Florida's Family Transition Program	3
	III. The FTP Evaluation	7
	A. Research Design	7
	B. Data Sources	10
	C. Samples and Subgroups	11
	IV. Interpreting the Results in This Report	13
	A. Start-Up Issues	13
	B. A Short Follow-Up Period	13
	C. The Nature of the Control Group	15
	V. The Organization of This Report	16
2	**An Overview of Escambia County's Family Transition Program**	17
	I. The Start-Up Experience	17
	A. The Start-Up Context	17
	B. Start-Up Issues in Escambia County	20
	II. Organizational Structure, Staffing, and Program Flow	21
	A. Organizational Structure	21
	B. Physical Layout and Staffing	22
	C. FTP Program Flow	22
	D. Program Flow in Traditional AFDC	27
	III. Characteristics of Escambia County and the Report Sample	28
	A. Escambia County	28
	B. Characteristics, Attitudes, and Opinions of the Report Sample	28
3	**The Key Differences Between FTP and Traditional AFDC**	40
	I. Data Sources and Analysis Issues	40
	A. Data Sources	40
	B. Analysis Issues	41
	II. The Employment and Training Component	42
	A. Project Independence Participation Rates	43
	B. Rates of Participation in Particular Types of Employment Activities	46
	C. The Quality of Employment Services	47
	III. Enhanced Case Management	48
	A. Implementing the FTP Staffing Structure	48
	B. The Key Outcomes of Enhanced Case Management	50
	IV. Time Limits and Financial Incentives	54
	A. Are Basic Systems in Place?	54
	B. Covering the Caseload	55
	C. What Staff Are Saying About FTP's Time Limit	55
	D. What Staff Are Saying About FTP's Financial Incentives	57
	E. What Recipients Are Hearing About FTP's Time Limit and Financial Incentives	58

V. Services and Supports 59
A. Child Care 59
B. Support Service Payments 60
C. Other Services and Supports 60
VI. Mandates and Sanctioning 60
VII. Conclusions 62
A. The Key Differences Between FTP and Traditional AFDC During the Study Period 62
B. FTP's Limitations During the Start-Up Period 63
C. Do the Results Presented in This Report Reflect FTP's Full Potential? 63

4 Preliminary Impacts of FTP 65

I. Data and Analysis Issues 66
A. The Report Sample and Data Sources 66
B. What Are Impacts? 67
C. Possible Sources of FTP's Impact on Work and Welfare Receipt 69
D. The Behavior of the Control Group: The Benchmark for Measuring Impacts 70
II. FTP's Impacts for the Full Report Sample 71
A. Impacts on Employment and Earnings 71
B. Impacts on AFDC Receipt and Payments 74
C. Impacts on Food Stamp Receipt and Payments 75
D. Impacts on Combining Employment and AFDC Receipt 75
E. Impacts on Income from Earnings, AFDC, and Food Stamps 77
III. Subgroup Impacts 79
A. Subgroups Defined by Characteristics That Determine the Type of AFDC Time Limit 80
B. Subgroups Defined by the Age of the Youngest Child 85
C. Other Subgroups 88

5 An Early Look at the FTP Time Limit 91

I. FTP's Time-Limit Policy 91
A. Exemptions 92
B. Policies for Recipients Who Reach the Time Limit 92
II. How Many FTP Participants Are Reaching the Time Limit? 93
A. AFDC Receipt for Early FTP Enrollees 93
B. A Comparison with the Control Group 96
III. FTP's Pre-Time-Limit Process 97
A. Defining Compliance 97
B. The Process for "Compliant" Participants 101
C. The Process for "Noncompliant" Participants 104
D. Issues Related to Reaching the Time Limit 108

Appendix A: Supplemental Tables to Chapter 2 111
Appendix B: Items Used to Create Scales for the Staff Survey Responses 125
Appendix C: Supplemental Tables and Figures to Chapter 4 129

References 136
Selected Publications on MDRC Projects 137

Tables

Table		
1	Rates of Participation in Selected Activities Within 18 Months After Random Assignment, by Research Group	ES-8
2	15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received	ES-13
1.1	Evaluation's Sample Sizes	11
2.1	Selected Demographic and Economic Characteristics: Escambia County, State of Florida, and United States	29
2.2	Selected Characteristics of the Report Sample at the Time of Random Assignment	30
2.3	Attitudes and Opinions of the Research Sample at the Time of Random Assignment	35
3.1	Rates of Participation in Selected Activities Within 18 Months After Random Assignment, by Research Group	44
4.1	15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received	73
4.2	15-Month Impacts on Combined Employment and AFDC Receipt Status	76
4.3	Impacts on Income from Earnings, AFDC, and Food Stamps and on Income Sources for the Full Sample in Quarter 6	78
4.4	15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Subgroups Defined by Their AFDC Time Limit	82
4.5	15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Subgroups Defined by the Age of the Youngest Child	86
4.6	Impacts on Earnings and AFDC Payments, by Subgroups Defined by Their AFDC History and Race Ethnicity	89
A.1	Selected Characteristics of the Sample at the Time of Random Assignment, by Random Assignment Cohort	112
A.2	Selected Characteristics of the Report Sample at the Time of Random Assignment, by Subgroups Defined by Their AFDC Time Limit	116
A.3	Selected Characteristics of the Report Sample at the Time of Random Assignment, by Subgroups Defined by the Age of the Youngest Child	120
C.1	15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received	130

Figures

Figure		
1	Average Earnings Per Quarter for Program and Control Group Members	ES-12
2	Status of Program and Control Group Members in the Last Quarter of the Follow-Up Period	ES-15
1.1	Three Examples of Monthly Family Income for a Single Parent with Two Children	6
1.2	The Random Assignment Process	9
2.1	Milestones in the Development and Early Implementation of the Family Transition Program	19
3.1	Frequency of Contact and Level of Personal Attention in the Family Transition Program and Traditional AFDC	52
3.2	Emphasis on Client Assistance, Employment, and Self-Sufficiency in the Family Transition Program and Traditional AFDC	53
3.3	How Family Transition Program Case Managers and Project Independence Career Advisors Discuss the FTP Time Limit	56
4.1	Average Quarterly Earnings of the Program and Control Groups	71
4.2	Average Quarterly AFDC Payments to the Program and Control Groups	72
4.3	Average Quarterly Value of Food Stamps Received by the Program and Control Groups	72
5.1	AFDC Status in July 1996 of an Early Cohort of Program Group Members	95
5.2	Simplified Illustration of the Process for Participants Who Are Within Six Months of Reaching the Time Limit	98
C.1	Average Quarterly Employment and Earnings of the Program and Control Groups	133
C.2	Average Quarterly AFDC Receipt and Payments to the Program and Control Groups	134
C.3	Average Quarterly Food Stamp Receipt and Value of Food Stamps Received by the Program and Control Groups	135

Preface

This report presents the first research evidence on the impacts of a welfare reform initiative that includes a time limit on the receipt of cash assistance. Florida's Family Transition Program (FTP), which began operating in early 1994 in two counties, combines a time limit of 24 or 36 months with an array of services, requirements, and financial incentives designed to help recipients find and hold jobs. FTP was one of the first time-limit programs in the country to begin operations.

Much has changed since FTP was launched. Enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 has made time limits a central feature of federal welfare policy, and Florida has implemented the statewide Work and Gain Economic Self-Sufficiency (WAGES) program, which also includes a time limit. Nevertheless, basic questions about the impact of time limits on welfare recipients and their families, and on government budgets, have not yet been answered. The first state-level tests of this approach—initiated under federal waivers of welfare rules—are too new to have yielded impact results until now.

This report covers primarily the "pre-time-limit" period—that is, the period before most recipients had exhausted their allotted months of benefits. It addresses a critical question: Does the presence of a time limit, along with the other related policy changes included in FTP, cause many people to find jobs and to leave welfare much more quickly? This analysis finds that, so far, FTP has generated modest increases in employment and almost no changes in rates or amounts of welfare receipt. The long-term implications of these results are still unclear, however: Some features of FTP, such as its financial work incentives and its strong emphasis on education and training, are designed to prepare participants for long-term self-sufficiency, not to hasten welfare exits. Moreover, this study looks at individuals who entered FTP during its start-up period, when some of the program's key components were not fully in place. Future reports in the evaluation will complete the story.

The findings in this report also shed light on a host of critical issues that will likely affect the design of time-limit programs across the country: the complex interactions between time limits and financial incentives (specifically, earned income disregards); the role of education and training in the context of time limits; and the critical challenge of developing procedures to review cases that reach the time limit.

Finally, the report provides the first information on what happens when welfare recipients approach and then reach a time limit. FTP has created a multi-step process to review cases approaching the time limit, taking into account whether the recipient has cooperated with program requirements. Although the numbers are small, so far most people who have reached the time limit have had their benefits canceled. Some were employed when their benefits expired; others were not employed, but were considered noncompliant with program rules, and a review concluded that ending their grant would

not place their children at risk of foster care placement. The evaluation will assess how these families fare over time.

Over the next few years, this evaluation will continue to provide some of the first evidence regarding key open questions about time limits: Will welfare recipients find jobs or other ways to replace their welfare income over the long term? Will time limits generate broader changes in family structure, living arrangements, and the well-being of children? How will this approach—which combines time limits with upfront investments in staff, services, and incentives—affect government budgets?

From the beginning of the study, the State of Florida and the FTP staff have been steadfast in their support for the evaluation. Their extraordinary commitment to expanding the welfare reform knowledge base will yield benefits in Florida and across the country, as states exercise their new authority to reshape social welfare policies.

Judith M. Gueron
President

Acknowledgments

This report would have been impossible without the contributions of numerous individuals in the State of Florida and at MDRC.

Managers, supervisors, and line staff in the Escambia County Family Transition Program have consistently gone above and beyond the call of duty to support and assist the evaluation. They have implemented the complex procedures necessary to create and maintain the experimental research design, organized data for casefile reviews, and have always been willing to spend time with MDRC staff candidly discussing FTP's implementation. These staff, too numerous to mention by name, have made the evaluation possible. Special thanks are due Shirley Jacques, John Bouldin, and Jan Blauvelt, who have fielded numerous requests for information and assistance with patience and good humor. Norman Cushon and Catherine Powell of Project Independence have also aided the study on many occasions. Cecil Lanier, now retired, was instrumental in getting the study off the ground.

In the central office of the Florida Department of Children and Families, Don Winstead has consistently supported the evaluation and offered thoughtful insights and suggestions at many points. Marcia Dukes has also played a critical role. Bill Hudgens of DCF and Christo Tolia and Jerry Arnold of the Division of Public Assistance Fraud have been instrumental in providing automated data for the analysis.

At MDRC, Barbara Goldman has managed the FTP evaluation from the outset, and provided critical guidance that helped shape this analysis. Judith Gueron and Gordon Berlin reviewed several drafts of the report and offered many useful comments and suggestions. James Healy has served as liaison for the FTP evaluation.

Claudia Nicholson oversaw the collection and analysis of casefile data, JoAnna Hunter-Manns was responsible for the staff survey analysis, Jean Knab and Frank Tsai did the programming for the impact analysis, and Alison Green-Parsons produced the demographic tables. Jennifer Cooper oversaw the administration of the staff survey and coordinated the report's production and fact-checking.

Irene Robling has overseen the efforts of the information services department. Adria Gallup-Black, Joel Gordon, Anita Kraus, and Ken White have been instrumental in preparing the data for analysis. Joyce Dees, Donna George, Marguerite Payne, and Carmen Troche, working under the supervision of Shirley James, handled thousands of random assignment telephone calls and processed a similar number of baseline forms.

Cele Gardner edited the report, and Patt Pontevolpe and Stephanie Cowell produced figures and did the word processing.

The Authors

Executive Summary

Florida's Family Transition Program (FTP) is an innovative welfare reform initiative that began operating in early 1994 in two mid-sized counties. FTP was one of the first programs in the nation to impose a time limit on the receipt of Aid to Families with Dependent Children (AFDC), until recently the nation's primary cash welfare program for needy families with children. FTP's time limit is embedded in a broad set of services, requirements, and financial incentives designed to help AFDC recipients prepare for, find, and hold jobs. In October 1996, Florida implemented the Work and Gain Economic Self-Sufficiency (WAGES) program, a statewide welfare reform. WAGES incorporates some elements of FTP, but differs from that program in important ways; for example, FTP includes a broader array of enhanced services than does WAGES. FTP is continuing to operate in the two pilot counties.

This is the second report issued as part of a multi-year evaluation of FTP being conducted by the Manpower Demonstration Research Corporation (MDRC) under a contract with the Florida Department of Children and Families (formerly the Department of Health and Rehabilitative Services, HRS), the agency that administers FTP.[1] MDRC is a nonprofit, nonpartisan organization that studies programs and policies intended to increase work and self-sufficiency among low-income groups.

This report presents the first evidence on the impacts of FTP—that is, the difference FTP makes compared to the traditional AFDC program. The latter requires certain recipients to participate in employment-related activities, but does not include FTP's time limits, financial incentives, or enhanced services.[2] The report focuses on one of the FTP pilot counties, Escambia (Pensacola). In the other pilot county, Alachua (Gainesville), AFDC recipients entered FTP on a voluntary basis; early results from that county are presented in a separate document.

The results described in this report should be considered preliminary for two main reasons. First, the report focuses on a group of people who entered FTP during its first few months of operation, when permanent staffing was incomplete and employment, training, and other services were not yet fully in place. Later enrollees experienced a more complete version of FTP. Second, except for a small number of people, the data available for the report cover only 15 months (for employment and earnings data) to 18 months (for AFDC and Food Stamp data) after each person's entry into the study. This length of follow-up is insufficient for tracking people to the point where they could have reached FTP's time limit on AFDC receipt: Most FTP participants are limited to 24 months of AFDC receipt in any 60-month period after entering FTP; others are limited to 36 months of receipt in any 72-month period. Recipients' circumstances and behavior may change dramatically just before or after they reach the limit, but

---

[1]The first report was Dan Bloom, *The Family Transition Program: An Early Implementation Report on Florida's Time-Limited Welfare Initiative* (New York: MDRC, 1995).

[2]This report refers to AFDC in the present tense, even though that program has been converted into a block grant to states. AFDC existed throughout the study period for this report.

such effects are not measured here. Future reports will examine data for a larger group of people (including later enrollees) and for a longer follow-up period.

The Findings in Brief

For this report, MDRC examined FTP's implementation and analyzed data on AFDC and Food Stamp receipt, employment, and earnings for approximately 1,000 people who were subject to FTP (the "program group") and about 1,000 people who met FTP's eligibility criteria but who were neither required nor permitted to participate in FTP (the "control group"). Although control group members could not participate in FTP, many of them *were* required to participate in employment-related activities, according to rules that existed prior to FTP. To ensure that the two groups were comparable, people were assigned to one or the other group at random. The differences between the two groups over time are the effects (or "impacts") of FTP. Key findings include the following:

- **FTP has increased employment and earnings among participants, and these impacts are growing larger over time.** Fifteen months after enrollment, 46 percent of program group members were employed, compared to 40 percent of those in the control group. In the last three months of the follow-up period, program group members earned an average of $169 more than control group members (a 24 percent increase).

- **FTP's financial work incentives have helped generate an increase in family income without raising welfare spending; however, in part because of the incentives, FTP is not reducing the rate at which people are accumulating months toward the time limit.** FTP includes an expanded earned income disregard that allows participants to earn more than they could under traditional AFDC rules without losing their eligibility for AFDC. Although the expanded disregard allows a greater number of working families to supplement their earnings with partial welfare grants—and has thus helped to increase the total income of FTP participants—FTP has not led to higher welfare spending. However, in part because of the expanded disregard, FTP's employment gains have not generated parallel *reductions* in AFDC receipt; rates of receipt are virtually the same for the program and control groups. FTP participants who go to work are more likely than employed control group members to remain on welfare, and any month in which they receive any benefits counts toward the time limit. In other words, while FTP has increased employment, the program is not reducing the rate at which people are using up their available months of AFDC.

- **FTP has led to lower spending on Food Stamps.** Because both AFDC and earnings are counted as income in determining Food Stamp benefits, the program group's higher income from these sources translated into a 9 percent reduction in Food Stamp payments during the 15-month period. However, FTP has not reduced the *number* of people receiving Food Stamps.

Apparently, the income gains are not large enough to make more members of the program group entirely ineligible for Food Stamps.

- **A few FTP participants have reached the time limit, and the program has created a multi-step process to review these cases.** As of July 1996, 26 members of the program group who had been assigned a 24-month time limit had received 24 monthly AFDC payments since entering FTP. This amounts to about 9 percent of those who entered FTP between May and August 1994 and were assigned a 24-month time limit (these are the only people who could have reached the time limit by July 1996). Another 53 people had received between 16 and 23 months of benefits by July 1996.

  FTP has established a multi-step review process to decide whether individuals who are approaching the time limit should receive a four-month extension of AFDC benefits or whether their benefits should be canceled when they reach the limit. The process also determines whether individuals who have not found jobs should receive a publicly funded work opportunity after the time limit. These decisions are based on a case-by-case determination of whether the participant has complied with FTP's requirements and has "diligently" tried to find a job. Finally, the process determines whether canceling the entire grant would place the children at risk of foster care placement; if so, the children's portion of the grant may be retained and diverted to a third party to administer on the children's behalf.

  To date, most of those who have reached the time limit have had their benefits canceled entirely; a small number have been granted extensions; and no one has been provided with a publicly funded job. Some of the individuals whose grants were canceled were working when they reached the limit, and others were determined to be "noncompliant" with the FTP requirements; their grants were canceled regardless of their employment status.

Because there is little past experience to use in assessing FTP's early results, it is necessary to judge the program's performance against hypotheses about how welfare time limits might work. One such hypothesis is that recipients will respond soon after they hear about a time limit, finding jobs and leaving welfare quickly to save up months of eligibility for when they are needed most. The early evidence indicates that this has not occurred in FTP: Although the program's combination of requirements, services, and incentives has induced more people to work, this increase has not been dramatic so far. Nor has FTP reduced the rate at which people are accumulating months of AFDC receipt.

It is too early, however, to predict how FTP will affect participants in the long run. Another hypothesis is that people will not respond to time limits until they reach them. If so, the employment rate among FTP participants may rise dramatically when more people begin to reach the limit. In addition, several features of FTP may make it *less* likely that participants will quickly find jobs and/or leave AFDC. For example, FTP assigned many participants to education or training activities, which have likely kept these individuals out of the labor force

longer, but may be giving them skills that will lead to better jobs. Similarly, FTP's expanded earned income disregard makes it less likely that people who find jobs will leave AFDC completely. These features might have generated short-term increases in AFDC receipt and AFDC spending, but this did not occur.

It is also worth reiterating that the people who were studied for this report entered FTP only a few months after the program started operating, when some of the program's key components were not yet fully in place. Moreover, these individuals heard about FTP's time limit long before anyone had actually reached it; the policy may have seemed much less "real" at that point. For these reasons, the results described in this report probably represent a conservative estimate of FTP's potential.

At the same time, the fact that FTP has not reduced the rate of AFDC receipt or dramatically increased employment during the period before people reach the time limit is important: Even if most of those who eventually reach the limit find jobs or rely on other sources of income to replace the AFDC they lose, it will be critical to assess whether they are able to sustain these income sources over time, since they will have used up their allotted months and will not be allowed to return to welfare for a long period. Future reports in this study will address these vital questions.

The Policy Context

Time limits are among the latest and the most dramatic in a long series of federal and state policy changes designed to transform AFDC from an open-ended source of income support to a transitional program focused on helping recipients find jobs and become self-sufficient. Although time limits have existed in income support programs for childless adults and two-parent families, the idea of placing a time limit on welfare for single-parent families with children—who account for the large majority of AFDC families—did not gain wide attention until the early 1990s.

Between 1993 and 1996, the federal government granted waivers of various AFDC rules to 42 states to run welfare reform experiments; 31 of these states received permission to impose a time limit in at least part of the state. In some states, the time limit triggered a work requirement, and the government promised community service jobs to people who were unable to find work on their own. Other states proposed to end welfare benefits completely at the time limit without a promise of public jobs for those who had not found work. Over time, this "benefit-termination" model has become the most common approach.

In August 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act. The new law makes benefit-termination time limits a central feature of federal policy: It restricts states from using federal funds to assist most families for more than a total of five years (states may set shorter time limits or use their own funds to support people beyond five years). The law also imposes new work requirements for welfare recipients, replaces the AFDC program with a block grant to states, and reduces federal spending on several programs for the poor, among other changes.

The rapid emergence of time-limited welfare in the 1990s is striking because this approach is virtually untested. Proponents believe that time limits will create a sense of urgency that will stimulate welfare recipients to find jobs or other means to support their families, while simultaneously reorienting the welfare system to focus on helping recipients move toward self-sufficiency. Critics predict that job shortages, recipients' low skill levels, and other factors will make it impossible for many recipients to support their families for long periods, and that time limits will harm many vulnerable children.

In fact, no one knows how time limits will affect either welfare recipients or government budgets. The first tests of this policy are still too new to have yielded firm results. This report offers some of the first, preliminary evidence to inform the debate.

The Family Transition Program

Florida's Family Transition Program (FTP) was one of the first state-level time-limited welfare programs to begin operations. FTP was created in the Family Transition Act, which was enacted in April 1993, and began operating in the two pilot counties in February 1994 under federal waivers of certain AFDC rules.

In Escambia County's version of FTP—the subject of this report—all AFDC recipients who do not meet specific exemption criteria are required to enroll in the program. Like many other recent state initiatives, FTP includes much more than a time limit: It is a multi-faceted reform that includes many features designed to assist and require participants to take steps toward self-sufficiency. The program includes four major components:

- **A time limit**. Most recipients are limited to 24 months of AFDC receipt in any 60-month period after entering FTP, although certain groups of particularly disadvantaged recipients have a limit of 36 months of receipt in any 72-month period. Temporary extensions of the time limit may be granted under certain circumstances, and the state has committed itself to provide work opportunities to FTP participants who make a diligent effort but have not found a job on their own by the time they reach the time limit. A citizen Review Panel is involved in determining whether participants have complied with program rules and whether they should receive extensions of the time limit or post-time-limit work opportunities.

- **Financial work incentives**. FTP changes a number of welfare rules to create stronger incentives to work. Most important, the first $200 plus one-half of any remaining earnings is disregarded (that is, not counted) in calculating a family's monthly welfare grant. In addition, FTP allows families to accumulate more assets than are normally allowed without losing eligibility for AFDC. Finally, subsidized transitional child care is provided for two years after recipients leave welfare for work (as opposed to the one year of assistance provided under traditional AFDC).

- **Enhanced services**. FTP participants receive intensive case management; enhanced employment and training services provided through Project Independence (PI), Florida's preexisting welfare-to-work program (FTP clients are required to participate in Project Independence services for at least 30 hours per week); social and health services; and other kinds of assistance. Many of FTP's services are located together in the FTP program offices (known as "service centers") to make them more accessible. In addition, participants who find jobs and earn their way off welfare can obtain support for further education or training under a special "Bootstrap" program.

- **Parental responsibility mandates.** Under FTP, parents with school-age children are required to ensure that their children are attending school regularly and to speak with their children's teachers periodically. AFDC applicants with preschool children must verify that their children have begun the necessary immunizations. Parents who fail to comply with these mandates—or the Project Independence participation requirements described above—may be sanctioned (that is, their grants may be reduced).

FTP's enhanced services and incentives involve a substantial upfront investment. The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs and began paying taxes.

The FTP Evaluation

In 1994, the State of Florida contracted with MDRC to conduct a rigorous, independent evaluation of FTP. The evaluation is based on a random assignment research design. For purposes of the study, AFDC applicants and recipients who met FTP's eligibility criteria were assigned, at random, to one of two groups:

- The **program group**, whose members are eligible for FTP's services and are subject to the rules described above.

- The **control group**, whose members are subject to the AFDC rules that were in place before FTP began. These rules include neither a time limit nor enhanced financial work incentives, but they do include, for many recipients, a requirement to participate in Project Independence. (Because Project Independence operates somewhat differently in the context of FTP, the regular Project Independence program that serves control group members is commonly referred to as "traditional" Project Independence.)

The members of the program and control groups are being studied over a follow-up period lasting several years. Because the two groups were created through a random process, there were no systematic differences between the groups' members when they entered the study; thus, any differences that emerge between the groups during the follow-up period (for example,

in employment patterns) can be reliably attributed to FTP, rather than to the characteristics of the groups' members. These differences are known as FTP's "impacts."

AFDC applicants and recipients were assigned to the program and control groups from May 1994 through October 1996. However, this report focuses only on a subset of these people: single-parent cases who went through the random assignment process between May and December 1994. This includes about 1,000 people in each of the two research groups.

One additional point is critical: As previously noted, many members of the control group are required to participate in Project Independence. Thus, the evaluation is testing whether FTP makes a difference *over and above* what is achieved by traditional Project Independence mandates and services alone. This is in contrast to many previous studies, in which the control group was not required to participate in welfare-to-work programs, and it suggests that FTP may have a higher "hurdle" to clear in producing impacts.

FTP's Early Implementation

This report focuses on a group of people who entered FTP in the second half of 1994, soon after the program began operating. Thus, the program group members who were studied for this report experienced FTP during its infancy. A variety of data sources—including staff surveys, casefile records, and site visits—were used to assess FTP's implementation during this period.

Overall, this analysis indicates that the program group members studied for this report experienced a much different version of welfare than did the control group members in the traditional AFDC program. Nevertheless, several important features of FTP were not fully in place when the program group members enrolled. The specific findings—many of which are discussed in detail in MDRC's first report on FTP—include the following:

- **Program group members were more likely than control group members to participate in employment-related activities through Project Independence and, specifically, more likely to enter education and training activities. They were also more likely to be sanctioned.**

Table 1 shows the percentages of program and control group members who participated in employment-related activities through Project Independence within 18 months after random assignment; these results are based on casefile data collected for a random subsample of about 200 people in the two groups. The activities included in the table are: individual job search (in which participants look for jobs on their own and report periodically to a staff member); group job search (a classroom-based activity in which participants learn job-seeking and job-holding skills and then receive help looking for jobs); basic education (remedial reading and math instruction or preparation for the high school equivalency test); vocational training (classroom training in a specific occupational area); post-secondary education (college courses leading to an associate's or bachelor's degree); and unpaid work experience. All of these activities are available to both program and control group members, although FTP has developed enhanced

Table 1

Florida's Family Transition Program
Escambia County

Rates of Participation in Selected Activities Within 18 Months After Random Assignment, by Research Group

Measure	Program Group	Control Group
Ever participated in any employment-related activity, excluding assessment	57.9 %	20.8 %
Ever participated in:		
Any job search activity	19.6	11.9
Any education or training activity	43.9	9.9
Workfare/unpaid work experience	8.4	2.0
Ever received a formal assessment	41.1	10.9
Ever received a noncompliance warning letter	59.8	17.8
Ever sanctioned	30.8	6.9
Sample size	107	101
Among those who ever participated in any employment-related activity, the percentage who participated in:		
Any job search activity	33.9 %	57.1 %
Group job search/job club	16.1	23.8
Individual job search	22.6	57.1
Any education or training activity	75.8	47.6
Basic education	35.5	23.8
Post-secondary education	29.0	19.1
Vocational training	22.6	4.8
Workfare/unpaid work experience	14.5	9.5
Sample size	62	21

SOURCE: Family Transition Program and Project Independence casefiles for a random subsample of the report sample. The employment-related activities were provided though Project Independence.

versions of some of them that are open only to program group members (for example, special short-term training programs developed in cooperation with local employers).

The top panel of Table 1 shows that 58 percent of program group members participated in a Project Independence employment-related activity (most of those who did not participate left welfare quickly, were exempt from Project Independence's participation requirements, or were sanctioned for failing to comply with Project Independence mandates). The comparable figure for the control group was 21 percent.

This large difference is partly the result of exemption rules: Control group members with children under age three were generally exempt from Project Independence participation mandates, whereas program group members were exempt only if their youngest child was six months old or younger. (At the point of random assignment, about 40 percent of the members of each group had at least one child under age three.) The large difference may also reflect the fact that the version of Project Independence that operated within FTP was much more generously funded than the traditional Project Independence program that served control group members. Thus, for example, while the traditional program was temporarily forced to stop placing new participants into activities because of a shortage of child care funds, this did not occur in FTP.

The bottom panel of Table 1 shows that 76 percent of program group members who participated in Project Independence entered an education or training activity such as adult basic education, post-secondary education, or vocational training. Just under half of control group participants entered one of these activities. In contrast, control group participants were more likely than program group participants to enter job search activities.

This difference in emphasis is partly related to the availability of services—for example, a special group job search activity established for FTP was not available until 1995—but it also reflects a difference in philosophy. At least in its early months of operation, FTP placed a strong focus on skill-building activities. This was reflected in the criteria used in establishing participants' employability plans (the specific activities to which they are assigned): In accordance with the Family Transition Act, "job ready" participants were automatically assigned to job search activities, but a large proportion of FTP participants did not meet the program's definition of job readiness (the traditional Project Independence program uses a broader definition of job readiness). FTP staff reported that they received limited guidance regarding the program's employment philosophy during the early months, but that FTP's relatively generous funding and its emphasis on "self-sufficiency" led them to believe that it should focus on longer-term education and training services.

Finally, Table 1 shows that program group members were about four times more likely than control group members to be sanctioned for failing to comply with program rules. In part, this probably reflects the fact that FTP includes a much broader and more intensive set of mandates than the traditional AFDC program (including more intensive employment-related mandates and the addition of parental responsibility mandates). Also, FTP has relatively low client-to-staff ratios, allowing workers to keep closer track of participants' activities.

- **Program group members were generally aware of FTP's time limit and, to a lesser extent, its enhanced financial work incentives.**

Data collected from program casefiles indicate that virtually everyone in the program group attended an FTP orientation session or another activity in which they heard the program's "message."

This point is supported by the results of a brief telephone survey of about 80 program and control group members that was conducted in the spring of 1995. The survey targeted people who had been randomly assigned approximately three months earlier. All of the program group respondents said that the FTP rules had been explained to them, and almost 85 percent knew that they were subject to a time limit on welfare receipt. Only about half of the program group respondents said that they were aware of FTP's enhanced earned income disregard. (Data from a later survey of staff indicate that workers tend to stress the time limit more than the disregard in their presentations to new participants.) Between 76 and 80 percent of program group respondents said that the time limit made them more likely to work, look for a job, and get education or training. Clearly, the control group did not have this "push," although some control group members may have been influenced by national welfare reform debates and intense media coverage of FTP. Indeed, in the telephone survey described above, about 15 percent of control group members reported, incorrectly, that they were subject to a time limit.

- **Program group members received more assistance from welfare agency staff and had access to a broader range of social and health-related services.**

In most welfare agencies, the primary points of contact between recipients and the system are eligibility workers. These staff are responsible for several hundred cases each, and tend to focus narrowly on determining eligibility and issuing timely and accurate benefits.

Under FTP, traditional eligibility workers have been replaced with case managers. These staff have much smaller caseloads and, in addition to performing standard eligibility duties, are responsible for helping participants plan and implement a route to self-sufficiency. A variety of data indicate that intensive case management has emerged as a central feature of FTP and a key difference between FTP and traditional AFDC. Surveys of FTP case managers and eligibility workers in the traditional AFDC program found that case managers see their clients more frequently, have closer relationships with them, and spend more time on activities related to helping the participants move off welfare.

FTP provides other types of enhanced services. For example, Project Independence staff working in FTP have smaller caseloads than their counterparts in the traditional Project Independence program that serves the control group; a public health nurse is stationed in each FTP service center; and FTP participants have access to more generous payments for work-related expenses such as child care, transportation, and equipment.

Data from the small phone survey described above support this finding. Program group respondents said that they had more contact with welfare agency staff, and more of them reported

having discussed issues related to achieving self-sufficiency, including employment and training and mental health counseling. When asked whether welfare agency staff "are really interested in helping me improve my life," 62 percent of program group respondents said they agreed "a lot," compared to 12 percent of control group respondents.

- **Despite these differences, the FTP model was only partly implemented during the period when the individuals studied in this report entered the program. Moreover, the early enrollees heard about FTP's time limit long before anyone had actually reached it.**

FTP's administrators in Escambia County were forced to begin operations very quickly: The pilot counties were selected in November 1993, federal waivers were granted in January 1994, and the first participants enrolled about one month later.

Partly as a result of this compressed schedule, some important features of FTP were not fully in place when the program group members studied for this report enrolled. Most important, the Project Independence component of FTP was not fully staffed until early 1995. This meant that many early enrollees did not move quickly into employment-related activities. Moreover, a number of enhanced employment and training services that were developed for FTP participants were not in place until 1995. Finally, owing to a variety of logistical problems, FTP's "one-stop shopping" approach, in which many services and supports have been located together in the FTP service centers, was not fully realized in the early months, and the program did not have an efficient computerized management information system.

Perhaps equally important, the program group members who are studied in this report first heard FTP's time-limit "message" long before anyone had actually reached the limit. Staff reported that many participants doubted that their benefits would actually be terminated at the time limit. This may have weakened the time limit's ability to stimulate behavioral change. Such skepticism may be less widespread today because recipients have begun to reach the time limit and most have had their welfare grants canceled. Word is presumably out in the community that FTP's time limit is indeed "real."

Later reports in this evaluation will examine FTP's impacts for a larger group of people, including many who entered the program after the start-up period.

FTP's Preliminary Impacts on Employment and Welfare Receipt

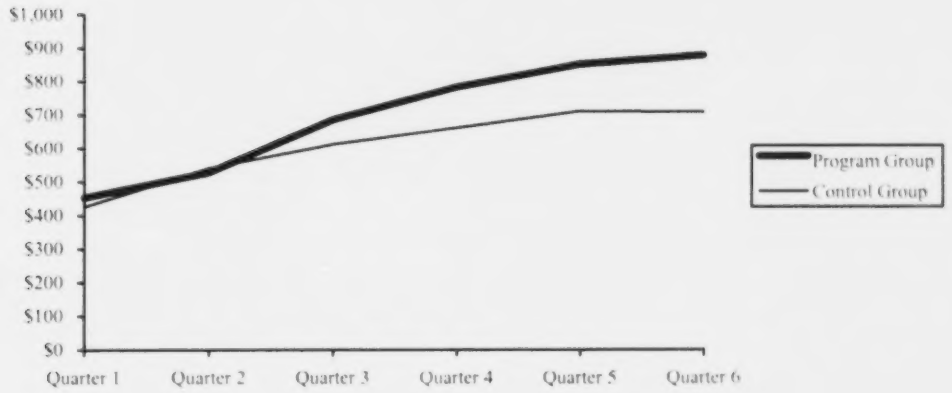
To examine FTP's impacts on employment and welfare receipt, MDRC obtained administrative records from the State of Florida that include the monthly amounts of AFDC and Food Stamps received by each member of the program and control groups from the point at which she or he entered the study (May to December 1994) through July 1996, and the quarterly earnings for each member of the two groups through March 1996. This means that five full quarters (15 months) of post-random assignment employment and earnings data are available for everyone who was studied for this report. (These are labeled quarters 2 to 6; the quarter in which random assignment took place is labeled quarter 1.) The AFDC and Food Stamp data cover six

full quarters after random assignment (quarters 2 to 7) for the full sample, and eight quarters for people who entered the study early on. Table 2 summarizes the key results of the impact analysis.

- **FTP has increased employment and earnings during the first 15 months of the follow-up period. These impacts are growing over time.**

As the first two sections of the table show, FTP has increased employment and earnings. For example, 45.7 percent of program group members were employed at some point in the last quarter of the follow-up period, compared to 39.6 percent of control group members. This result is statistically significant and represents a 15 percent increase in the employment rate.[3] The table also shows that the average earnings for program group members were $491 higher over the entire follow-up period (a 15 percent increase) and $169 higher in the final quarter alone (an increase of 24 percent). The earnings amounts are averages that include all the members of the two groups, including those who had no earnings (the average earnings in quarter 6 for those who worked were $1,919 for the program group and $1,788 for the control group). Figure 1 shows that FTP's earnings impact is growing larger over time.

Figure 1
Average Earnings Per Quarter for Program and Control Group Members



- **FTP has neither increased nor decreased AFDC receipt or AFDC payments. The pattern of employment gains without parallel reductions in AFDC receipt is at least partly attributable to FTP's expanded earned income disregard.**

FTP includes some features that might be expected to decrease short-term AFDC receipt and other features that might have the opposite effect. For example, as noted earlier, the time

[3]Statistical significance—indicated by the asterisks in Table 2—means that there is at least a 95 percent probability that FTP actually had an impact on the outcome shown. For estimates marked with three asterisks, there is at least a 99 percent probability that the program had an impact.

Table 2

Florida's Family Transition Program
Escambia County

15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Ever employed				
Quarters 2-6	66.1 %	61.9 %	4.2 **	6.8
Quarter 6	45.7	39.6	6.1 ***	15.4
Average total earnings				
Quarters 2-6	$3,721	$3,230	491 ***	15.2
Quarter 6	877	708	169 ***	23.9
Ever received any AFDC payments				
Quarters 2-6	81.4 %	81.7 %	-0.3	-0.4
Quarter 6	50.3	49.4	0.9	1.9
Quarter 7	45.9	46.7	-0.8	-1.7
Average number of months receiving AFDC in quarters 2-6	8.5	8.3	0.2	2.1
Number of months receiving AFDC payments in quarters 2-6				
0	18.6 %	18.3 %	0.3	1.9
1-6	21.6	23.5	-1.9	-6.4
7-12	20.9	20.8	0.0	0.2
13-15	38.9	37.4	1.5	4.1
Average total AFDC payments received				
Quarters 2-6	$2,311	$2,363	-52	-2.2
Quarter 6	353	374	-21	-5.6
Quarter 7	322	345	-23	-6.7
Ever received any Food Stamps				
Quarters 2-6	89.1 %	89.3 %	-0.2	-0.2
Quarter 6	63.9	64.9	-1.0	-1.6
Quarter 7	60.3	61.4	-1.1	-1.9
Average total value of Food Stamps received				
Quarters 2-6	$2,531	$2,767	-235 ***	-8.5
Quarter 6	431	483	-51 ***	-10.7
Quarter 7	412	457	-46 ***	-10.0
Sample size (total = 2,176)	1,087	1,089		

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings, AFDC payments, or Food Stamp receipt from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

limit might induce some people to leave welfare more quickly, but the earned income disregard and FTP's strong emphasis on education and training might cause some people to remain on welfare longer.

As Table 2 shows, the program has had virtually no impact on AFDC receipt so far. The percentages of program and control group members receiving AFDC in the final quarter of the follow-up period were nearly identical: About half the members of each group were receiving AFDC at that point. Similarly, there are no statistically significant differences between the groups in the number of months of AFDC receipt during the follow-up period: In both groups, somewhat more than one-third of the people received AFDC in at least 13 of the 15 months; the average number of months of benefits receipt was 8.5 for the program group and 8.3 for the control group. There was also no significant difference in the average total amount of AFDC received during the follow-up period ($2,311 for the program group and $2,363 for the control group), although there appears to be a trend toward somewhat lower benefit amounts for the program group in the final quarters.

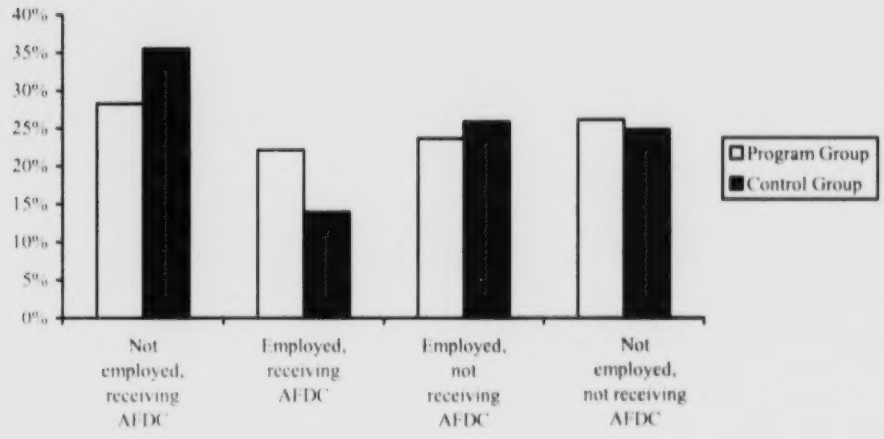
Figure 2 shows sample members' combined employment and AFDC status in the last quarter of the follow-up period (quarter 6). It indicates that the primary effect of FTP thus far has been to increase the rate at which program group members combine work and welfare. This can be seen by comparing the first two sets of bars in Figure 2, which show that FTP reduced the percentage of program group members "not employed, receiving AFDC" by about 7 percentage points (a 20.5 percent reduction from the control group level). At the same time, the second set of bars indicates that FTP increased the percentage of program group members "employed, receiving AFDC" by about 8 percentage points (a 56 percent increase over the control group level). As discussed earlier, this is likely due to the earned income disregard, which enabled more employed program group members than control group members to retain eligibility for at least a partial AFDC grant. For example, in the final quarter of follow-up, about 48 percent of employed program group members received AFDC, compared to 35 percent of employed control group members.

- **FTP has reduced the amount of Food Stamps people receive, but has not decreased the number of people receiving Food Stamps.**

The last two sections of Table 2 show that, while FTP has not decreased the number of people receiving Food Stamps, the program has reduced the average payment per person: Program group members received, on average, $235 less in Food Stamps during the follow-up period—statistically significant and 9 percent less than the control group.

This result is related to the earnings and AFDC impacts discussed above. Both earnings and AFDC count as income in determining Food Stamp allotments; that is, families with higher earnings and/or AFDC payments receive smaller amounts of Food Stamps. Because FTP has increased earnings without reducing AFDC, program group members have more countable income on average, and thus lower Food Stamp amounts. However, the earnings gains are apparently not large enough to make more program group members entirely ineligible for Food Stamps.

Figure 2
Status of Program and Control Group Members in the Last Quarter of the Follow-Up Period



- **FTP increased combined income from earnings, AFDC, and Food Stamps by 6 percent in the last quarter of the follow-up period.**

On average, program group members' higher earnings more than offset their lower Food Stamp amounts, while AFDC amounts were roughly similar for the two groups. Thus, at this early point in the evaluation, FTP is making families financially better off (counting only income from these three sources) without increasing spending on public assistance. In addition, because program group members have higher average earnings, they can receive larger amounts from the federal Earned Income Tax Credit (the credit is not counted in this calculation).

It is important to note, however, that the average combined income in the final quarter of the follow-up period was only $1,661 for program group members and $1,564 for control group members. (These averages include people who had no income from one or more of these sources.) This is not a full measure of family income: Income obtained outside Florida is not measured, and families may have sources of income other than the sample member's earnings, AFDC payments, and Food Stamps. Nevertheless, if the figure for this quarter is projected to a full year, the total combined income is only a little more than $6,600 per program group member.

- **FTP appeared to work differently for different groups within the AFDC population.**

The analysis examined FTP's impacts for specific subgroups of people who were defined by their characteristics at the point of random assignment. For this analysis, the key subgroup distinctions are based on the age of the recipient's youngest child and the characteristics used to determine the length of the recipient's time limit.

Over the full follow-up period, FTP generated a 10 percent increase in employment and a 22 percent increase in earnings among program group members who, at the point of random assignment, had at least one child under age three; both figures are statistically significant. In contrast, over the full follow-up period, the program did not produce significant gains in employment or earnings for those who had no children under age three at random assignment. (The difference between the impacts for these two subgroups is not statistically significant.)

There are several possible explanations for these results. First, as noted earlier, control group members with children under age three were likely to be exempt from Project Independence's participation mandates for much of the follow-up period; program group members were exempt only while their children were under six months old. Thus, the difference between the two groups in their rates of Project Independence participation was larger for the subgroup with young children. If Project Independence's mandates and services are a key factor driving FTP's impacts, one would expect to see the impacts concentrated in the subgroup of people with children under age three.

Second, as also noted earlier, FTP has much more generous funding for child care than does the traditional AFDC/Project Independence program. This difference may matter most for participants with young children.

Third, the results may have more to do with the characteristics of people in the two subgroups than with differences in the services and mandates that applied to them. For example, as might be expected, employment rates and average earnings for the control group were lower for those who had young children than for those who did not.

The analysis also examined impacts for subgroups defined by the characteristics used to determine people's time limit. As noted earlier, most FTP participants are subject to a 24-month time limit. However, certain groups of particularly disadvantaged recipients (that is, those with a long history of AFDC receipt, as well as those who are under 24 years old and have no high school diploma or have a limited work history) are subject to a 36-month time limit; this group constituted about 40 percent of the total. Because a recipient's time limit was assigned on the basis of her or his characteristics around the time of random assignment (and because data on these characteristics were collected for the research), it is possible to predict which time limit each control group member would have been assigned had she or he been in FTP—and thus to estimate impacts on the basis of the length of the time limit.

In this case, the pattern of subgroup differences is not very clear. On the one hand, FTP produced a significant increase in employment for the full follow-up period for the group with characteristics that correspond to a 24-month time limit, but not for the 36-month time-limit group. On the other hand, in the final quarter of the follow-up period, FTP's employment impact appears to have been concentrated in the 36-month time-limit group. (Again, the difference between these impacts is not statistically significant.) As with the subgroup based on age of youngest child, the time-limit subgroup distinction captures both demographic differences (people assigned to the 24-month time limit tend to face fewer obstacles to employment) and a difference in the FTP "treatment" (that is, one group had a shorter time limit than the other).

Early Data About the Process That Occurs As People Approach the Time Limit

Owing to the timing of this report and the fact that people frequently leave welfare (or go on and off welfare), only a small number of the people studied for this report had reached FTP's time limit. As of July 1996, when data collection for this report ended, approximately 290 program group members could potentially have reached FTP's time limit. That is, roughly 290 people entered the program group between May and August 1994 (anyone who entered later could not have accumulated 24 months of AFDC by July 1996) and were assigned to a 24-month time limit. Of these 290, about 26 people (9 percent) had received 24 months of AFDC payments by the end of July 1996. Another 53 people (18 percent) had received 16 to 23 months of benefits by July 1996; these people were approaching the time limit.

The fact that few people had reached the time limit should not be surprising. The participants who are assigned to a 24-month time limit are generally more employable, with higher levels of education and work history, and previous research suggests that few people in this category would be expected to receive AFDC continuously for 24 months. A separate analysis showed that there was little difference between the program and control groups in this respect: Control group members whose characteristics would likely have made them eligible for a 24-month time limit were just as likely as program group members in this subgroup to have accumulated 24 months of AFDC by the end of July 1996. This result indicates that, in this early period, FTP has not caused people to leave AFDC faster than they would have otherwise. In addition, there was no significant change in the average payment amount per person at the end of the follow-up period.

In preparation for this report, MDRC conducted qualitative research on the process that occurs as individuals approach FTP's time limit. Despite the small numbers, it is possible to make some early observations about this process.

- **FTP has established a multi-step process to determine how to treat individual recipients who reach the time limit. This process involves considerable staff discretion.**

The Family Transition Act describes two situations in which an individual would not lose her or his entire AFDC grant upon reaching the time limit. First, people who reach the time limit may receive up to two four-month extensions if they have "substantially met the requirements of [their] employability plan and have encountered extraordinary difficulties in obtaining employment." Second, the act stipulates that full AFDC benefits will not be terminated if this is likely to result in a child's being placed in an emergency shelter or foster care. In that case, there is an option to remove the parent from the grant calculation and assign the child's portion to a third party (known as a protective payee).

The federal waiver imposed another condition: The state agreed to provide a private or, if necessary, public work opportunity to "each FTP participant who has diligently completed her (or his) self-sufficiency plan but has been unable to find employment at the end of the AFDC benefit time limit." The work opportunity would allow the individual to earn at least as much as

the AFDC grant for her or his family size plus $90 per month (a work expense allowance)—a total of $393 for a typical FTP family.

In order to operationalize these rules, FTP has developed a process to determine which participants are considered to be "compliant." This process was partly sketched out in the Family Transition Act, which stipulated that a citizen Review Panel would hear cases in which the participant was not being successful in FTP.

In practice, roughly six months before an individual reaches the time limit, FTP staff meet to make a final decision about whether the participant will be designated as compliant. Interviews with staff and supervisors indicate that, to this point, there have been few clear-cut rules governing this process; a case-by-case determination is made based on the participant's level of cooperation with program rules.

Individuals who are deemed compliant and who seem likely to reach the time limit without sufficient employment (that is, without a job paying at least $90 more than the monthly AFDC grant for their family size) are referred to a transitional job developer, who works intensively to help them find employment. If necessary, the job developer can use program funds to pay incentives to employers who hire FTP participants. If an individual in this status continues to be "compliant" but nonetheless reaches the time limit without sufficient employment, she or he can receive a four-month extension, but the criteria for granting these requests are quite strict: there must be an extraordinary situation that is likely to be resolved within the period of the extension. Finally, FTP is obligated to provide a work opportunity to compliant participants who cannot find sufficient employment by the time their benefits are exhausted.

FTP has no special obligation to participants who are deemed "noncompliant"; the Review Panel will recommend that their benefits be terminated at the time limit. At that point, the case is referred to a child welfare worker, who assesses whether termination of the full grant would likely result in a child's being placed in substitute care. Once again, interviews suggest that the criteria for this review are narrow: The review does not focus on broad issues of child well-being, but rather on whether there is an immediate likelihood that the child will need to be placed in foster care, typically because the recipient has had recent contact with the child welfare agency and/or has no means of support and no other family in the area to help care for the child.

- **Of the few people who reached the time limit, almost all had their AFDC benefits canceled.**

Most of the people who had reached the time limit fell into one of two, roughly equal, categories:

- One group (known locally as the "AFDC + 90" group) includes people who, when they reached the time limit, were receiving AFDC but were also working and earning at least $90 more than the basic AFDC grant for their family size. These people's grants were canceled at the time limit, but the

people were not considered to have been "terminated"; they were seen as self-sufficient.

- The second group includes people who may not have been employed when they reached the limit, but who had been designated as noncompliant. Nearly all of these individuals had their entire grants canceled; the child welfare review did not find that there was a substantial risk that their children would be placed in foster care if the grant was terminated.

Finally, a small number of people were granted four-month extensions. As noted earlier, the criteria for granting extensions are quite strict. Thus, these individuals must have encountered special problems (for example, a delay in completing a training program that was attributable to the training provider) that were expected to be resolved within four months.

During the period under study, no one had met the criteria for a post-time-limit public job. Nearly all of those who had been classified as compliant found jobs—sometimes with the assistance of the transitional job developer—and a small number were granted extensions. The rest of the participants who reached the time limit were classified as noncompliant, and thus not eligible for a public job.

Policy Implications

It is far too early to draw any firm conclusions from the FTP results presented in this report; very few people had arrived at the point where they could potentially have reached the time limit. However, the early results raise several important issues that bear on the design and implementation of time-limited welfare programs in Florida and elsewhere. These include the following:

Will time limits induce people to find jobs sooner? Many believe that time limits will trigger major changes in recipients' behavior and, in particular, large increases in their employment. One hypothesis is that time limits will induce many people to find jobs quickly so that they can leave welfare and "bank" months of eligibility for periods when times are worse. Another hypothesis is that recipients will not respond in large numbers until their benefits are terminated; at that point, they will be forced to find jobs.

Through 15 months of follow-up, FTP has generated statistically significant increases in employment. However, these impacts could not be characterized as dramatic, even for people with characteristics that would lead to their being given a 24-month time limit. In the final quarter of the follow-up period, the employment rate for program group members in this subgroup was about 4 percentage points higher than for comparable members of the control group (47 percent versus 43 percent).

These results cast doubt on one of the hypotheses stated above—that time limits will induce people to find jobs much more quickly—although, for reasons discussed earlier, the effect of the time limit on recipients' behavior may have been especially weak during the early

implementation period. Moreover, a large proportion of FTP participants have entered education or training activities that may keep them out of the labor force longer. Although a large employment impact may emerge later—when people move closer to the time limit—it will likely occur after recipients have used up many of their months of AFDC eligibility. Thus, it will be critical to examine whether people are able to keep their jobs and avoid returning to welfare; they may have few months of eligibility left.

How do time limits interact with earned income disregards? Florida is one of many states that have combined time limits with earned income disregards that are larger than those in the traditional AFDC program. The disregards increase the financial incentive to work and may ease the transition off welfare by reducing welfare benefits more gradually when recipients go to work. They also improve the financial well-being of some low-income working families.

The early results suggest that FTP's disregard is having some of its desired impacts: Program group members are working and earning more than control group members (although it is impossible to separate the impacts driven by the disregard from those driven by other features of FTP). The additional work experience may assist program group members in becoming self-sufficient. Moreover, in part because of the disregard, program group members have higher combined incomes from earnings and public assistance, and they may be more likely to retain their jobs. Finally, all of this has been achieved without raising AFDC spending.

At the same time, because the disregard is in place, program group members who find jobs are more likely to remain on welfare and use additional months toward the time limit. Some of the people described earlier who were working when they reached the time limit would presumably have left welfare earlier had there been no enhanced disregard. Prior research suggests that many of these people will likely lose their jobs during the next year or two. If this occurs, they will be unable to return to welfare.

Which employment and training strategy makes most sense in the context of a time limit? Welfare-to-work programs fall along a continuum: At one end are programs that stress quick employment, relying mainly on job search activities. At the other end are programs focusing on skill-building education and training to strengthen participants' earning power before they look for jobs. Most current programs are mixed models—they stress both approaches to some extent.

Studies have assessed programs at various points along the continuum, but, because these studies were not conducted in the context of time limits, it is not clear whether programs would operate differently in that environment. Some believe that a quick employment approach makes most sense in the context of a time limit because, even if participants find low-wage jobs, they will be more likely to stop their time-limit clock, at least temporarily. Others contend that recipients should use the available time to obtain skill-building services that might help them get off welfare permanently.

Certain elements of FTP's design suggest that it is intended to stress rapid employment. For example, the law requires that job-ready participants must begin with job search activities. Moreover, the Bootstrap program facilitates education and training *after* employment. But, at

least in the start-up period, the program was operated with a strong focus on education and training. These activities potentially keep people out of the labor market longer and make it more likely that they will reach the time limit. If they obtain skills that lead to better jobs, this investment will have been worthwhile.

How should programs draw distinctions among recipients who are approaching time limits? Like other time-limit programs, FTP seeks to draw distinctions among participants. In essence, FTP's policy is designed to ensure that participants who comply with program rules and diligently seek work will not be left without a source of income after the time limit has been reached. Moreover, even if a parent is deemed "noncompliant," the child welfare review process may act as a "safety net" for her or his children. The attraction of this approach is obvious, but its implementation may be difficult.

Thus far, FTP has not developed a clear, objective definition of "compliance." Workers and supervisors exercise considerable discretion in making this determination. This flexible system has many advantages: It allows staff to consider individual circumstances rather than using a "one size fits all" approach. But interviews suggest that, while many cases are clear-cut, others require staff to make difficult judgments. It will be important to see whether staff can implement this process fairly and equitably as the number of cases reaching the time limit increases.

Open Questions

The early results presented in this report indicate that FTP is increasing employment and earnings, raising family income, and helping participants get education or training. Moreover, it is achieving these results without increasing welfare spending. To date, however, the program has not reduced the rate at which people are accumulating months of AFDC receipt.

It is far too early to draw any firm conclusions about FTP's longer-term impacts. The follow-up period is too short to assess how people respond as they approach and then reach the time limit. Moreover, although the program and control groups certainly received a different "treatment" during the study period, it is probably safe to say that the results described in this report do not reflect FTP's full potential; people who entered FTP in 1995 and 1996 experienced a more complete program than those studied in this report. At the same time, it is important to note that the incomplete version of FTP that was studied for this report may look more like time-limited welfare programs that will operate in Florida and elsewhere in the future, when resources may be more constrained as states move from small pilot programs to statewide reform initiatives.

Finally, this report's preliminary conclusions about how the time limit affects people's employment patterns are based on a group of people who entered FTP before anyone had reached the time limit. The limit may have seemed much less "real" during this early period.

Future reports in the FTP evaluation will look at a larger group of people—including many who entered FTP after the start-up period—and will examine a broader range of outcomes over a longer follow-up period.

Chapter 1
Introduction

Florida's Family Transition Program (FTP) is an innovative welfare reform initiative that began operating in early 1994 in two mid-sized counties. FTP was one of the first programs in the nation to impose a time limit on the receipt of Aid to Families with Dependent Children (AFDC), until recently the nation's primary cash welfare program for needy families with children.[1] FTP's time limit is embedded in a broad set of services, requirements, and financial incentives designed to help AFDC recipients prepare for, find, and hold jobs. In October 1996, Florida implemented the Work and Gain Economic Self-Sufficiency (WAGES) program, a statewide welfare reform. WAGES incorporates some elements of FTP but differs from that program in important ways; for example, FTP includes a broader array of enhanced services than does WAGES. FTP is continuing to operate in the two pilot counties.

The Florida Department of Children and Families (formerly the Department of Health and Rehabilitative Services), the agency that administers FTP, has contracted with the Manpower Demonstration Research Corporation (MDRC) to conduct a multifaceted six-year evaluation of the program's effectiveness.[2] MDRC is a nonprofit, nonpartisan organization that develops and evaluates policies designed to increase self-sufficiency among low-income groups.

This is the second report in the FTP evaluation. The first, completed in late 1995, examined the program's start-up and early implementation.[3] This report updates the implementation story, provides preliminary information about how FTP is affecting patterns of employment and welfare receipt, and takes a very early look at the process that occurs as recipients approach and then reach FTP's time limit. The report focuses on one of the FTP pilot counties, Escambia (Pensacola), where FTP operates as a mandatory program; results for Alachua County (Gainesville), which operated a voluntary version of FTP, are described in a separate MDRC report.[4]

The information in this report should be considered preliminary, for two reasons. First, the report focuses on a group of people who entered FTP very early, before the program had been fully implemented. Thus, at least in their early months in the program, the individuals studied in this report experienced an incomplete version of FTP. They also heard the program's "message" before anyone had actually reached the time limit; staff report that many early enrollees doubted that families' benefits would actually be canceled when they used up their allotted months. This skepticism—which is likely to be strongest during the early implementation period—may have

---

[1]Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, AFDC is being replaced with a block grant to states. However, this report refers to AFDC in the present tense because the program was in place throughout the study period for the report.

[2]In 1996, the Department of Health and Rehabilitative Services (HRS) was restructured and renamed the Department of Children and Families. This report refers to HRS because that was the name in use during the period studied.

[3]Bloom, 1995.

[4]In 1996, the Alachua County Family Transition Program became mandatory.

weakened the influence of the time limit on recipients' behavior. Later reports will examine a larger group of people, including many who entered FTP after the start-up period.

Second, the timing of the report allows for only 15 to 18 months of follow-up data for most of those who are studied. This means that not enough data are available to track most people to the point where they could have reached FTP's time limits on AFDC benefits (most recipients are limited to 24 months of AFDC receipt in any 60-month period). People's behavior—in particular, their employment patterns—may change dramatically as they approach or reach the time limit, but it is too early to assess whether such changes occur. Future reports will provide data for a longer follow-up period and will assess FTP's financial benefits and costs from the perspectives of taxpayers and welfare recipients in the study.

I. The Policy Context of FTP

For nearly 30 years, federal, state, and local policymakers have struggled to shift AFDC from an open-ended income support program to a transitional assistance program focused on helping recipients become self-sufficient. Until recently, the main strategy was to convert AFDC to a quid pro quo approach: Government would continue to provide income support, plus services to help recipients prepare for work, but recipients in turn would be required to work or participate in these services or have their grants reduced. This approach, designed to make AFDC more transitional while preserving its safety net function and keeping costs down, was reflected in the Family Support Act (FSA), passed by Congress in 1988. FSA allocated federal matching funds for state welfare-to-work programs under the Job Opportunities and Basic Skills Training (JOBS) program and required states to ensure that specific percentages of welfare recipients were participating in education, training, job search, and other work-related activities.

Although evaluations have shown that welfare-to-work programs such as those funded under JOBS can significantly increase work and reduce welfare receipt,[5] many observers were dissatisfied with the pace of change in the years following the passage of FSA. During his 1992 presidential campaign, then-candidate Bill Clinton promised to "end welfare as we know it" by setting a two-year time limit, after which AFDC recipients would be required to work—in a community service job, if necessary—in order to receive further assistance. The Clinton proposal was not passed by Congress, but it helped spur a flurry of welfare reform activity in the states. Between 1993 and mid-1996, the administration granted waivers to 42 states to conduct welfare reform experiments. More than 30 states received waivers to impose some form of time limit on welfare receipt, although the term was defined differently in different states. Some states' programs resembled the Clinton proposal, but others were quite different: Rather than requiring recipients to work when they reached the time limit, these states proposed to end assistance at that point. Eventually, this "benefit termination" model became the most common approach to time-limited welfare.[6]

---

[5]See, for example, Riccio, Freedman, and Friedlander, 1994; and Freedman and Friedlander, 1995.

[6]Greenberg, Savner, and Swartz, 1996.

After the midterm elections of 1994, Congress began considering new welfare legislation that included both a nationwide benefit-termination time limit and other sweeping changes in the structure and funding of several major public assistance programs. Eventually, in August 1996, Congress passed and the president signed the Personal Responsibility and Work Opportunity Reconciliation Act. Under this law, states are restricted from using federal funds to assist most families for more than a total of five years.[7] While states have broad flexibility to design welfare programs—and are not required to set a time limit on state welfare benefits—their decisions are likely to be shaped by this prohibition on federal funding.

The rapid emergence of time-limited welfare in the 1990s is striking, because this approach is largely untested. Although there have been time limits in income support programs for childless adults and two-parent families, there has been no limit on the amount of time single-parent families could receive AFDC benefits.[8]

Proponents see time limits as the next logical step in the series of policy changes, described above, that aim to make welfare more transitional. They expect that welfare recipients, when confronted with a firm deadline, will respond by finding jobs or other means of supporting their families. Many also believe that time limits will push the welfare system to focus more of its resources on helping recipients become self-sufficient. Critics argue that many AFDC recipients—hampered by low skills, health problems, job shortages, or other barriers—will be unable to find steady jobs and that removing cash assistance will therefore harm many poor children.

In fact, no one knows how time limits will affect eligible families or government budgets because no tests of this approach have been completed. Evaluations are underway in several states, but the studies are too new to have yielded firm results. This report presents some of the first reliable evidence to inform this debate, although, for reasons discussed below, the results presented here should be considered preliminary.

II. Florida's Family Transition Program

The Family Transition Program was created in the Family Transition Act, passed by the Florida legislature in April 1993. In January 1994, the state received waivers of federal AFDC rules allowing it to implement the program, and operations began just one month later with a

---

[7]States may not use federal Temporary Assistance for Needy Families (TANF) block grant funds to provide assistance to a family that includes an adult who received "assistance under any State program funded under this part attributable to funds provided by the Federal Government" for 60 months (whether or not consecutive) after the date the program funded under the block grant begins. States may exempt families from the time limit on the basis of hardship, but the total number of exemptions in effect in any year cannot exceed 20 percent of the average monthly caseload.

[8]Because eligibility for AFDC is based on the presence of a dependent child, AFDC for adults has always been time-limited in the sense that parents lose eligibility when their youngest child turns 18 years old. However, until recently, there has been no limit on the amount of time an eligible child could receive benefits.

small three-month pilot. FTP was one of the first state-initiated time-limit programs to begin operations.[9]

Like many of the other early state time-limit programs, FTP is a multifaceted reform; the time limit is embedded in a broad set of services, requirements, and financial incentives designed to help recipients find jobs and become self-sufficient. The major components of FTP include:

- **Time limit**. Under FTP, most recipients are limited to 24 months of AFDC receipt in any 60-month period. Certain groups of particularly disadvantaged recipients are limited to 36 months of receipt in any 72-month period. (The clock starts when a recipient enrolls in FTP; months of receipt of assistance prior to that point do not count.) Cash benefits are terminated at the end of the time limit.[10] However, under the terms of Florida's federal waivers, recipients who cooperate with FTP but are unable to find a job despite diligent efforts by the time they reach the time limit will be given a public or private work opportunity that allows them to earn at least as much as the standard AFDC grant for their family size (plus an allowance for work expenses).[11] In addition, recipients may receive up to two four-month extensions of the time limit under certain circumstances. Finally, if it is determined that canceling a family's entire AFDC grant would put the children at substantial risk of emergency shelter care or foster care placement, the children's portion of the grant is retained and diverted to a "protective payee" on behalf of the children.

- **Financial work incentives**. Under traditional AFDC rules,[12] recipients who find jobs have their grants reduced by one dollar for each dollar they earn after the first four months of work (after some allowances for work expenses).[13] Many believe that these rules create a disincentive to work and make it difficult for recipients to make a successful transition into the workforce. Under FTP, the first $200 plus one-half of any remaining earnings is disregarded (that is, not counted) in calculating a family's monthly grant. Known as an earned income disregard, this rule allows a greater proportion of working families to retain at least a partial welfare grant to supplement their earnings; the disregard applies for as long as the family receives AFDC.

---

[9]An Iowa program, which began operating before FTP, includes individualized time limits that may be renegotiated.

[10]Eligibility for noncash benefits (for example, Food Stamps) is not affected by the time limit.

[11]The standard AFDC grant for a family of three is $303 per month, and the standard work expense allowance is $90. Thus, a "compliant" participant with this family size would be ensured of an opportunity to earn at least $393 per month (approximately 20 hours a week of work at the current minimum wage).

[12]This report uses the term "traditional AFDC" to describe the rules that were in place in Escambia County prior to the implementation of FTP. These rules also applied in the rest of the state (except for the other FTP pilot counties) until the implementation of Florida's welfare reform, WAGES, in October 1996.

[13]Specifically, during the first four months of employment, the first $120 plus one-third of any remaining earnings is disregarded (that is, not counted) in calculating the AFDC grant amount. In the fifth through the 12th month, only the first $120 is disregarded. After month 12, only the first $90 is disregarded. In addition, certain expenses for child care (up to a specific limit) may be disregarded. The 1996 welfare law eliminates these federal rules for counting earnings; thus, states no longer need waivers to expand (or reduce) earned income disregards.

Figure 1.1 gives two examples of how FTP's earned income disregard affects working recipients. In addition, FTP allows families to accumulate more assets and to own more valuable automobiles (relative to traditional AFDC rules) without losing eligibility for assistance.[14] Finally, subsidized transitional child care is provided for two years after recipients leave welfare for work.[15]

- **Enhanced services**. FTP participants may receive a variety of services designed to help them prepare for and find employment. These include intensive case management; enhanced employment and training services provided through Project Independence (PI), Florida's JOBS program (most FTP clients are required to participate in PI activities for a minimum of 30 hours per week);[16] social and health services; and others. Many of FTP's services are co-located in the FTP program offices (known as service centers) to make them more accessible to participants.

- **Parental responsibility mandates.** Under FTP rules, parents with schoolage children are required to ensure that their children are attending school regularly and to speak with their children's teachers at least once each grading period. New applicants for AFDC with preschool children are required to provide proof that their children have begun to receive the standard series of immunizations. Parents who fail to meet these requirements—as well as those who do not comply with the PI participation mandates described above—face sanctions (that is, their grants are reduced).

FTP's enhanced services and incentives involve a substantial upfront investment: Florida's initial federal waiver application projected that the program would incur net costs of $13 million to $14 million in each of its first two years of implementation (in the two pilot counties combined). The program's designers hoped that this initial investment would be recouped when recipients moved off welfare and into jobs and began paying taxes.

Under the terms of the Family Transition Act, FTP was initially implemented in two counties. Both counties' programs included the same mix of incentives, services, and mandates, but there was one important difference between them: FTP operated as a mandatory program in Escambia County and as a voluntary program in Alachua County. As noted earlier, preliminary results for Alachua County are being released in a separate report.

In 1995, the Florida legislature expanded the mandatory version of FTP to six additional counties. In 1996, anticipating federal welfare legislation, the legislature created the Work and

---

[14]Under traditional AFDC rules, recipients are limited to $1,000 in assets, and there is a $1,500 exemption for an automobile. Under FTP, the asset limit is raised to $5,000, and the vehicle exclusion limit is raised to $8,150.

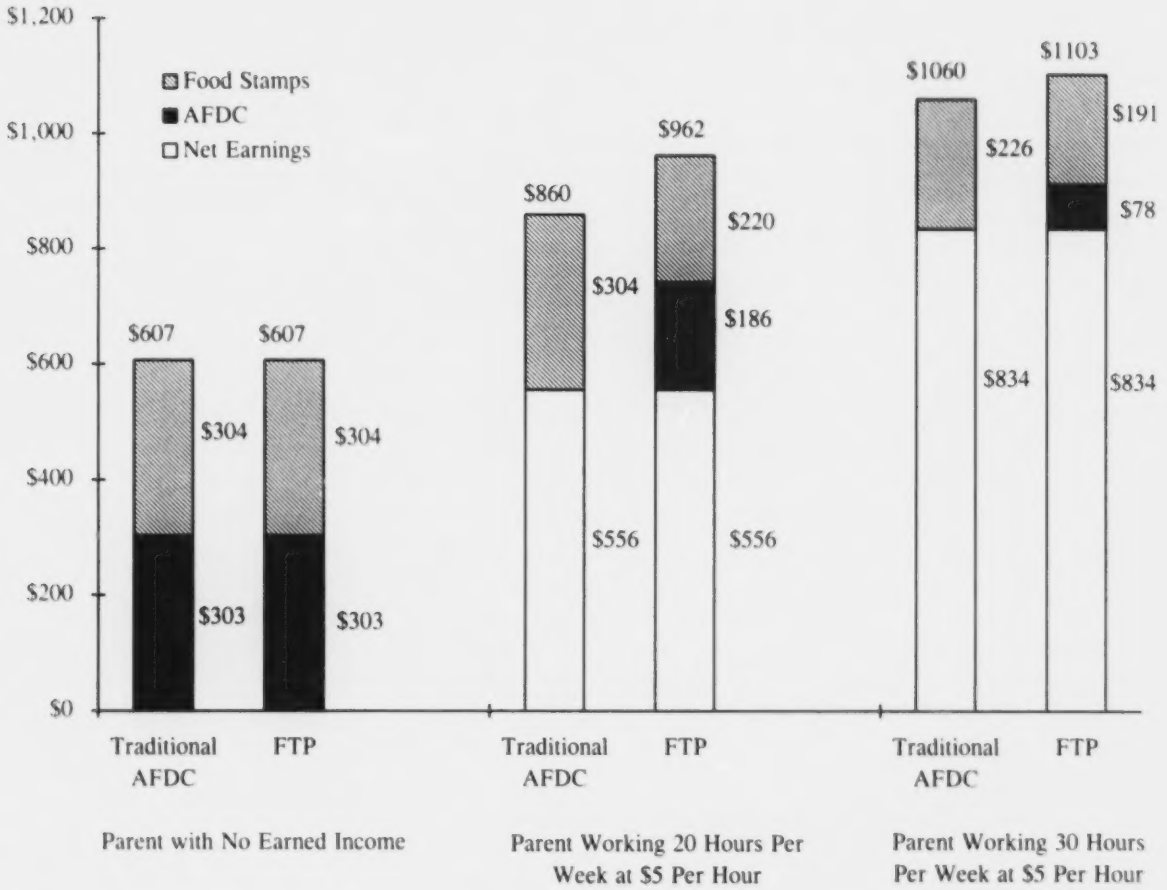
[15]Under the Family Support Act of 1988, states were required to provide transitional child care assistance and transitional Medicaid coverage for one year after recipients leave welfare for work. FTP extended transitional child care for a second year. The 1996 welfare legislation ends the transitional child care requirement, although states may choose to continue this policy.

[16]This report uses "Project Independence" because that was the name in use during the period studied.

Figure 1.1

Florida's Family Transition Program
Escambia County

Three Examples of Monthly Family Income for a Single Parent with Two Children



SOURCES: U.S. House of Representatives, Committee on Ways and Means, *The 1996 Green Book: Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. Government Printing Office, 1996), p. 446; Family Transition Program policy manual.

NOTES: The tax and Food Stamp calculations use the rules in effect in 1995. Monthly net earnings are based on the sum of the parent's earnings and the Earned Income Tax Credit, minus any applicable federal income taxes. Florida does not have a state income tax.

The AFDC grant calculation disregards $120 of gross earnings, in accordance with AFDC rules for the fifth to twelfth month of employment. The FTP grant calculation disregards $200 of gross earnings and half of the remainder. Both calculations assume no unreimbursed child care costs or child support collections.

The Food Stamp calculation disregards 70 percent of net income. Net income includes the AFDC grant but excludes 20 percent of gross earnings, a $134 standard deduction, and up to $231 of excess shelter expenses. This calculation assumes a monthly rental expense of $319.

Gain Economic Self-Sufficiency (WAGES) program to replace AFDC statewide. As noted earlier, WAGES includes many elements of FTP, although it also differs in important respects.

III. The FTP Evaluation

The FTP evaluation began in early 1994 and is scheduled to end in 1999. (FTP is continuing to operate in Escambia County in order to facilitate the evaluation.) The study is funded by the State of Florida, the Ford Foundation, and the U.S. Department of Health and Human Services.

A. Research Design

The FTP evaluation is based on a random assignment research design. For purposes of the study, AFDC applicants and recipients who meet the criteria for FTP (discussed below) are assigned, at random, to one of two groups:

- The **program group** (also referred to as the "FTP group"), whose members are eligible for FTP's services and subject to its mandates, including the time limit; or

- The **control group** (also referred to as the "traditional AFDC group"), whose members are subject to the AFDC rules that existed before FTP was implemented—which include, for many recipients, a requirement to participate in Project Independence. (As discussed in Chapter 2, the control group has received a less enriched version of Project Independence than has the program group.)

The members of these two groups will be followed for several years and compared on a number of measures, including their employment and welfare receipt patterns, family income, and others. Because the two groups were created through a random process, there were no systematic differences between them when they entered the study; any differences that emerge during the follow-up period (these differences are known as *impacts*) can be confidently attributed to FTP, rather than to differences in the characteristics of people in the groups. Although this methodology has some limitations—for example, it cannot assess whether FTP is affecting the number of people who apply for welfare—random assignment is generally seen as the most reliable way to determine what difference, if any, a program makes.[17]

The process of assigning people to the program and control groups began in May 1994 and ended in October 1996. Beginning in May 1994, all AFDC applicants who met FTP's

[17]The study can only assess differences that emerge after people are randomly assigned to the program and control groups. Because the random assignment occurs when people apply for welfare, there is no way to determine whether the program has affected the number of people who take this step. However, because random assignment occurs early in the AFDC application process, it can determine whether FTP is affecting the number of applicants who complete their application and begin receiving benefits.

eligibility criteria were randomly assigned either to FTP or to the traditional AFDC program at the time they applied. People who were already receiving AFDC when FTP began were phased in over time; they were randomly assigned when they appeared for semiannual recertification interviews.[18]

Figure 1.2 illustrates the random assignment process. Whether it occurred at application or recertification, the process began with screening: Staff went through a checklist to determine whether the applicant or recipient met any of the criteria for an exemption from FTP. The following groups are exempt: incapacitated or disabled adults; individuals under 18 years old who are attending school or working 30 hours or more per week; adults caring full-time for disabled dependents; parents caring for children six months old or younger; recipients 62 years old or older; and caretaker relatives whose needs are not included in the AFDC grant.

If there was no exemption, staff gave a brief description of FTP and the evaluation and, through a brief interview with the applicant or recipient, completed a one-page sheet called the Background Information Form (BIF). The BIF included identifying information (name, social security number, etc.), demographic information (age, ethnic group, gender, number and ages of children, etc.), and data on the individual's work and welfare history. After the BIF was completed, staff asked the individual to fill out a brief, confidential questionnaire called the Private Opinion Survey (POS), which solicited information about her[19] attitudes toward work, welfare, education and training, and other issues.[20] Data obtained from the BIF and POS are presented in Chapter 2.

Once these forms were complete, staff placed a toll-free call to MDRC's office and read a few items from the BIF to an MDRC clerk, who entered the information into a computerized database. A computer program then conducted the random assignment: The individual was assigned to either the program group or the control group. Those assigned to the control group continued their application or recertification with staff from the traditional AFDC program; those assigned to the program group were enrolled into FTP.

Two particular aspects of this process are worth noting. First, AFDC applicants were randomly assigned early in the application process, before staff knew for certain whether the application would be approved or denied. Thus, as will be discussed further in Chapter 4, there are people in both the program group and the control group who never received AFDC during the follow-up period, either because they did not follow through with their application or because they were found to be ineligible for benefits. Because people's behavior may be affected by FTP from the time they first hear about the program, conducting random assignment at this early

---

[18]In order to control the flow of participants into FTP, only a portion of the people who showed up for recertification were randomly assigned; the rest remained subject to traditional AFDC rules. In Escambia County, 30 percent of those appearing for recertification were randomly assigned initially; the other 70 percent remained in AFDC. Beginning in August 1994, one-half of those showing up for recertification were randomly assigned, and, in December, all recipients went through the process. The pace of random assignment was then slowed from March 1995 to November 1995: During that period, only applicants who had not received AFDC during the previous two years were randomly assigned.

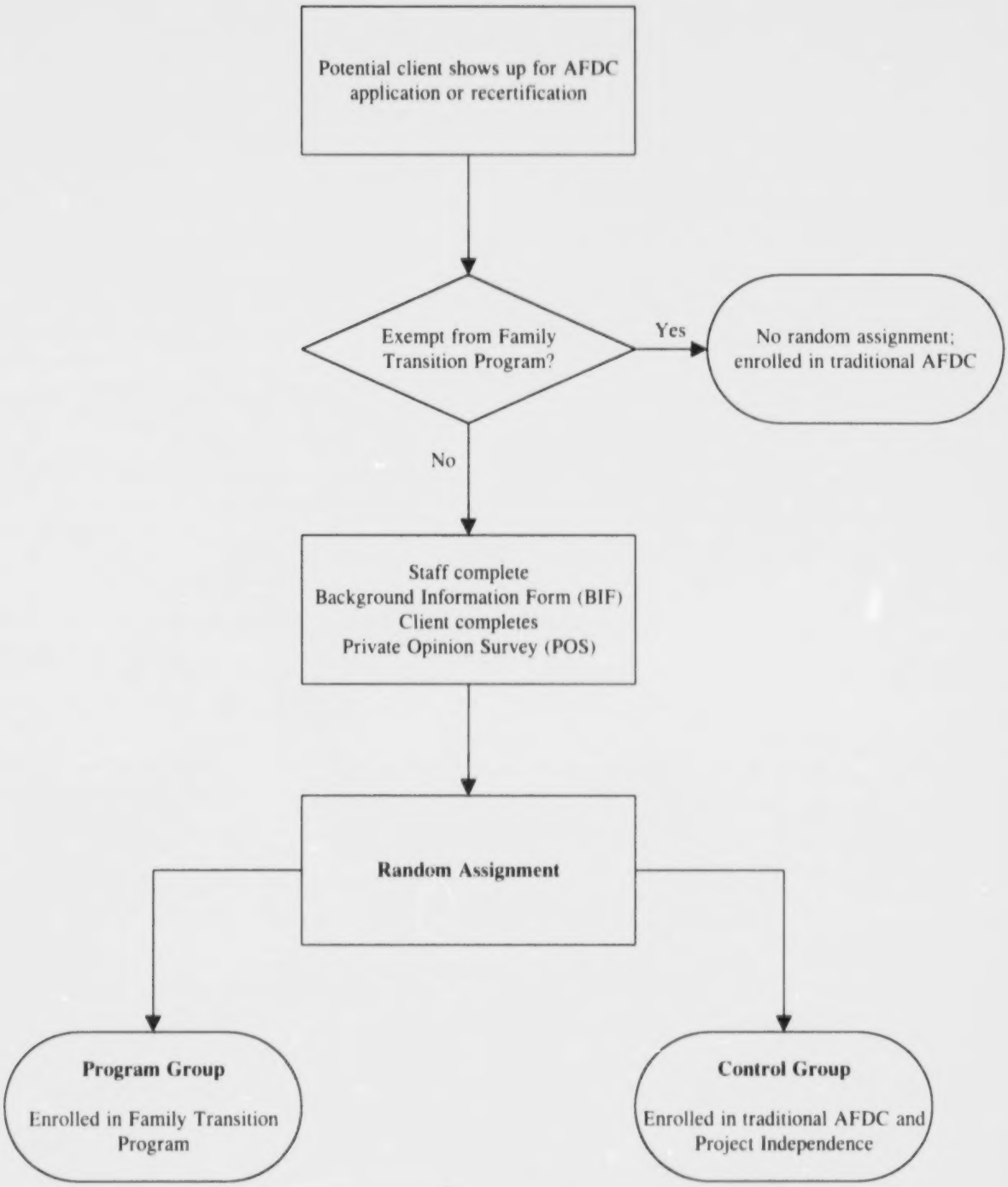
[19]Feminine singular pronouns are used in this report because the majority of participants in FTP are women.

[20]A third form was used to collect contact information for a later survey.

Figure 1.2

Florida's Family Transition Program
Escambia County

The Random Assignment Process


Potential client shows up for AFDC application or recertification
Exempt from Family Transition Program?
Yes
No random assignment; enrolled in traditional AFDC
No
Staff complete Background Information Form (BIF)
Client completes Private Opinion Survey (POS)
Random Assignment
Program Group
Enrolled in Family Transition Program
Control Group
Enrolled in traditional AFDC and Project Independence

point gives the study a better chance to measure the program's full impact; for example, FTP may alter the proportion of people who complete their application and actually start to receive benefits.

Second, although staff screened out people who were exempt from FTP prior to random assignment, there have been instances (described in later chapters) when program group members have been exempted after random assignment; when this occurs, the individual's time-limit "clock" is stopped, at least temporarily (that is, while the exemption applies, months of AFDC receipt do not count toward the time limit). This may have occurred because an exemption slipped through the screening process undetected or because an exemption did not exist until some point after random assignment (for example, a participant may have become incapacitated after random assignment).

B. Data Sources

MDRC is obtaining data from a variety of sources to describe FTP's implementation and measure the differences between the program and control groups. These include:

- **Field research.** MDRC staff periodically visit the FTP service centers to interview managers and line staff and observe program activities.

- **Staff surveys**. MDRC conducted surveys of staff in the FTP program and the traditional AFDC and Project Independence programs in the summer of 1996. These surveys provide information about staff's day-to-day activities and attitudes in order to help describe FTP and assess how it differs from traditional AFDC.

- **Surveys of program and control group members**. The evaluation includes several types of surveys of program and control group members. A brief, small-scale telephone survey was conducted in both pilot counties in April and May 1995, focusing on people who had been randomly assigned about three months earlier. The results of that survey were discussed in the first FTP report and are referred to briefly in this report. Two larger-scale surveys, to be conducted partly by phone and partly in person, are planned during the next few years.

- **Administrative records**. The State of Florida is providing MDRC with computerized records of monthly AFDC and Food Stamp payments, and of quarterly earnings reported to the unemployment insurance system, for all members of the program and control groups in both counties.

- **Casefile data.** For this report, MDRC obtained data from FTP and PI casefiles for approximately 200 program and control group members. These data are used to describe the employment and training and other services that people received, and to assess the implementation of FTP's mandates.

This report draws primarily from field research; administrative records of AFDC, Food Stamps, and earnings; casefile data; and staff surveys. Later reports will rely more heavily on data from surveys of program and control group members.

C. Samples and Subgroups

As noted earlier, random assignment of eligible AFDC applicants and recipients to the program and control groups occurred from May 1994 through October 1996. As Table 1.1 shows, a total of 5,430 individuals were randomly assigned to the two groups in Escambia County during this period. These individuals are known collectively as the "full sample" for the FTP evaluation.

Table 1.1

Florida's Family Transition Program
Escambia County

Evaluation's Sample Sizes

Samples	Program Group	Control Group	Total
Full sample (randomly assigned May 1994-October 1996)	2,718	2,712	5,430
Report sample (single-parent cases randomly assigned May 1994-December 1994)	1,087	1,090	2,176
Early cohort (single-parent cases randomly assigned May 1994-August 1994)	505	507	1,012

1. The report sample. This report focuses on a subset of the full sample, namely, single-parent cases who went through the random assignment process between May and December 1994.[21] These individuals are referred to as the "report sample." As shown in Table 1.1, the report sample includes 2,176 people. Information on the demographic characteristics and attitudes of these individuals is presented in Chapter 2.

It is possible to provide information on AFDC and Food Stamp receipt for each person in the report sample for 18 months following her random assignment date, because approximately 18 months elapsed between December 1994, when the last member of the report sample was randomly assigned, and July 1996, the last month for which welfare data are available. Chapter 3 uses casefile data to examine program participation patterns during the same 18-month period for a randomly selected subset of approximately 200 people in the report sample. The available data

[21] Single-parent cases constitute about 90 percent of all cases randomly assigned.

on quarterly employment and earnings cover through March 1996, allowing 15 months of follow-up for everyone in the report sample.[22]

2. Subgroups. In addition to analyzing results for the full report sample, Chapter 4 examines whether FTP's impacts differ for specific subgroups within that sample. Often, overall results mask the fact that a program works differently for different types of people.

Two particular subgroup distinctions are especially important. The first is defined by the age of the recipient's youngest child. This distinction is important both because the age of a single parent's child can dramatically affect her employment behavior and because the differences between FTP and traditional AFDC are particularly pronounced for parents with children under age three. In the control group, these parents are typically exempt from Project Independence participation mandates, while in the program group they are not. Moreover, FTP has much more generous funding for child care than the traditional program, a distinction that is likely to be particularly important for parents with young children.

The second key subgroup distinction is based on the characteristics that determine the length of an individual's time limit. As noted earlier, most FTP participants are limited to 24 months of AFDC receipt in any 60-month period. However, certain long-term AFDC recipients and individuals with limited work histories—accounting for just over 40 percent of those in the report sample—are allowed 36 months of receipt in a 72-month period.

Because a recipient's time limit is determined on the basis of her characteristics at the point of random assignment (which are described on the Background Information Form, discussed earlier), it is possible to estimate which time limit would have been assigned to each control group member had she been subject to FTP. This makes it possible to compare outcomes for program group members with a specific time limit and similar control group members. Like the age-of-youngest-child subgroup discussed earlier, the time-limit distinction captures both an important demographic difference (people with a 24-month time limit generally face fewer barriers to employment) and a key difference in the program "treatment."

3. The early cohort. Chapter 5 of this report focuses on a different subset of the report sample: the roughly 1,000 program and control group members who were randomly assigned in May, June, July, and August 1994. This group, referred to as "the early cohort," is important because the available AFDC data are sufficient to cover at least 24 months after random assignment for each person randomly assigned during these early months. Because program group members' time-limit clocks start "ticking" at the point of random assignment if they are eligible for cash assistance (months of receipt prior to that point do not count), Chapter 5 can provide early information on how many people in the early cohort are reaching the time limit after 24 months of continuous or nearly continuous AFDC receipt.

---

[22]The employment and earnings data cover a shorter period than the AFDC and Food Stamp data because there is a lag in employers' reporting to the state's unemployment insurance system. Thus, complete employment and earnings data for the second quarter of 1996 (ending in June) were not available until late in the year (too late to be incorporated into this report).

IV. Interpreting the Results in This Report

This report provides some of the first rigorous information on the impacts of a program that includes AFDC time limits. However, several issues are critical to interpreting these results.

A. Start-Up Issues

As discussed earlier, this report focuses on a group of people who were randomly assigned to the program and control groups in the second half of 1994, just after FTP began operating. As discussed in Chapter 2, there were delays in implementing several key features of FTP. These delays particularly affected the program's ability to deliver employment and training services. Thus, at least in the critical early months following random assignment—when most people have their most intensive contact with FTP—the program group members in the report sample experienced an incomplete version of FTP.

In addition, early enrollees experienced FTP during a unique period in the program's implementation, before anyone in the county (or the country) had actually reached a time limit. If time limits influence people's behavior by creating a sense of urgency, as the policy's proponents predict, this impact is likely to be weakest in the early period, when people may be uncertain about whether families' benefits will actually be terminated when they reach the time limit. Once people begin to reach the limit and word spreads in the community about how they are treated (that is, whether their grants are in fact canceled), the level of uncertainty is likely to decline. As discussed in Chapter 5, recipients began to reach the time limit in Escambia County in the spring of 1996, and most of them did in fact have their grants canceled.

Together, these two issues suggest that FTP's impacts for the report sample are likely to be a conservative estimate of the program's potential when fully implemented.

B. A Short Follow-Up Period

As noted earlier, only a small number of program group members—those who were randomly assigned between May and August 1994 and assigned a 24-month time limit—could potentially have reached the FTP time limit by July 1996, the last month for which AFDC data were available for this report. (For example, if someone was randomly assigned in September 1994 and received AFDC continuously for 24 months, she would not reach the time limit until August 1996.) *No one* in the program group could have reached the time limit by March 1996, the last month for which employment and earnings data are available.

The fact that this report primarily covers the pre-time-limit period limits the range of questions that can be addressed. Proponents of time limits anticipate that the imposition of a firm deadline will generate large changes in welfare recipients' behavior; in particular, they predict that most recipients will go to work or find other means to support their families without welfare. Ultimately, the viability of the policy is likely to hinge on whether such changes do in fact occur. Studies have found that, in the absence of time limits, nearly 60 percent of those who

start receiving AFDC eventually accumulate more than two years of receipt.[23] If a time limit makes it impossible for people to receive assistance for more than 24 months, there will need to be large changes in behavior; otherwise, many families will experience a dramatic drop in their income when their benefits are canceled.

Because time limits are so new, however, no one knows for certain what kinds of changes they will generate or when these changes are most likely to occur. One view is that time limits will begin to affect people's behavior soon after they learn that their clock has started ticking. For example, the limit may persuade many AFDC recipients to leave welfare quickly in order to save up months of eligibility for when they are needed most. The follow-up period for this report is sufficient to provide preliminary information about this hypothesis: If time limits do generate quick welfare exits, there will likely be differences between program and control group members' welfare receipt rates within an 18-month follow-up period. Moreover, because employment is an important route off welfare, one might also expect to see large differences in the employment patterns of program and control group members within the follow-up period available for this report.

An alternative hypothesis is that welfare recipients' employment patterns will not be affected until just before or just after they use up their months of welfare eligibility. Recipients may have a very short-term focus or may not believe that the time limit is "real," so they may not feel any real sense of urgency until just before or just after their benefits are terminated. Some recipients may feel that it is not difficult to find employment and that there is no need to take steps to become self-sufficient until their benefits expire. Under this scenario, one would not expect to see large differences between the program and control groups in employment or welfare patterns during the follow-up period for this report, and the absence of impacts at this point would not say much about the program's long-term effects.

The specific features of FTP further complicate matters. While FTP's time limit may generate a sense of urgency and motivate AFDC recipients to take steps toward self-sufficiency, other features of the program may decrease the likelihood that people will actually leave welfare quickly. For example, FTP provides extensive opportunities for recipients to build their skills through education or training. Some recipients might respond to the time limit by enrolling in these activities, which actually might lead them to stay on welfare longer than they otherwise would have. However, by gaining "human capital," these recipients might be better prepared for higher-paying jobs that can keep them off welfare permanently.

FTP's expanded earned income disregard may have a similar effect. As discussed earlier, the first $200 plus one-half of any remaining earnings each month is disregarded (that is, not counted) in determining a recipient's grant. This policy, which is designed to provide a work incentive and to ease the transition from welfare to work, allows working families to retain at least a partial welfare grant during months when they would otherwise be ineligible. However, because this policy is in place, program group members who find jobs are less likely to leave welfare entirely than are control group members who find similar jobs.

---

[23]Pavetti, 1995.

While it is clearly premature to draw any firm conclusions about FTP's long-term impacts, it is possible to lay out some of the possible implications of different scenarios. Specifically, if FTP does not cause many people to leave welfare quickly, large numbers of families are likely to reach the time-limit "cliff" eventually. Even if all or most of these individuals found jobs or other means to support their families just before or after reaching the time limit, they would be unable to return to welfare if these coping strategies fell apart (because they would have used up all their allotted months of assistance); other studies have found that job retention among AFDC recipients tends to be poor.[24]

This suggests that long-term follow-up data for the full sample will be critical to an understanding of the full impact of the time-limit policy. In addition, MDRC is initiating a post-time-limit tracking project to study how families that reach the time limit fare over time.

C. The Nature of the Control Group

Chapter 4 provides information on FTP's early impacts—the differences between the program and control groups in employment rates, earnings, AFDC payments, and other outcomes. In order to assess the size of these impacts, many will likely compare them to the results from other random assignment studies, notably a large-scale evaluation of Florida's Project Independence that was completed in 1995.[25]

Such comparisons should be made with extreme caution. In the PI evaluation, members of the control group were neither required to participate in PI nor permitted to receive services from the program.[26] Thus, the evaluation tested the difference that PI made relative to an environment that did not include a mandatory welfare-to-work program. But the benchmark has changed since then: Mandatory welfare-to-work programs are now the norm. Thus, in the FTP evaluation, many members of the control group are required to participate in PI (in effect, the FTP control group resembles the program group in the PI study). The current study is testing whether FTP's time limits, incentives, and enhanced services make a difference over and above the impacts generated by PI's mandates and services. In a sense, FTP has a higher hurdle to clear in order to produce impacts.[27]

Another issue related to the control group is also important. As discussed in Chapter 2, FTP has been the subject of intense media coverage; in addition, the program has been implemented during a period when welfare reform has been in the spotlight nationwide. Although control group members have been clearly told that they are not subject to FTP, it is likely that some of them have been affected by the discussions that have permeated their community. In fact, as discussed in Chapter 3, there is evidence that a small fraction of control group members believe they are subject to some kind of time limit on welfare receipt. MDRC is

---

[24]Herr, Halpern, and Conrad, 1991; Hershey and Kerachsky, 1995.

[25]Kemple, Friedlander, and Fellerath, 1995.

[26]About 20 percent of control group members nevertheless were exposed to some aspect of PI.

[27]It is important to point out that PI did not generate large impacts relative to the control group—although Escambia County was not part of that study.

using surveys to monitor control group members' perceptions; this information is important in describing the real "treatment" difference between the two research groups.

V. The Organization of This Report

The remainder of this report is organized as follows:

- Chapter 2 discusses the context for FTP's implementation in Escambia County, describing the characteristics of the county, the participants, and the program's early implementation.

- Chapter 3 uses data from a variety of sources to examine how the FTP experiences of program group members differed from the experiences of control group members in the traditional AFDC program during the study period.

- Chapter 4 examines FTP's impacts on employment, earnings, AFDC receipt, and Food Stamp receipt in Escambia County during the first 15 to 18 months after random assignment.

- Chapter 5 examines impacts for an early cohort and also takes an early look at the process that occurs as individuals approach the FTP time limit, focusing on the decision-making process that is used to determine how recipients will be treated when they reach the limit.

Chapter 2

An Overview of Escambia County's Family Transition Program

This chapter sets the context for the later discussion by describing several distinctive features of Escambia County's Family Transition Program. The issues discussed here are essential to the interpretation of the impact results described in subsequent chapters.

The chapter is divided into three sections. The first section discusses the start-up experience in Escambia County, highlighting several issues that affected FTP's early operations. The second section describes the organizational structure and staffing of FTP and the traditional AFDC program. The third section provides some background information about Escambia County and FTP's target population.

Many of the topics discussed in this chapter were examined in more detail in MDRC's first report on FTP.[1]

I. The Start-Up Experience

As discussed in detail in the first report, several important features of FTP were not fully implemented during the early months of operations. This start-up experience is important because, as discussed in Chapter 1, this report focuses on the first group of people who went through the random assignment process. Because most participants have their most extensive contact with FTP during the first few months after enrollment, the program group members studied in this report experienced FTP in its infancy; if they remained on welfare for a substantial period, they also experienced a more complete version of the program later.

As will be clear from the discussion that follows, most of the implementation delays in Escambia County were typical of program start-ups. Moreover, both site visits and casefile data indicate that most of the key early issues were resolved over time. At the same time, the earlier MDRC report noted that start-up problems take on special significance in the context of a time limit, when recipients' clocks are ticking.

A. The Start-Up Context

Several of the key factors that affected FTP's early operations in Escambia County were beyond the control of local administrators. These included a compressed implementation schedule, issues related to management information systems, a lack of clarity in some key policies, and intense external scrutiny.

---

[1]Bloom, 1995.

1. Compressed implementation schedule. FTP was forced to begin operations with very little time for advance planning. As shown in Figure 2.1, the Family Transition Act was signed by the governor in April 1993, the pilot counties were selected in November of that year, and federal waivers were granted in January 1994. The two pilot counties began to enroll small numbers of participants just one month later.[2] (The timing of the Project Independence component, noted in Figure 2.1, is discussed later in this chapter.) This accelerated schedule left little time for planning or logistical tasks, such as securing office space and computer equipment, and it contributed to many of the issues discussed below.

2. Management information systems. In most areas of the United States, computerized management information systems (MISs) play a central role in the administration of public assistance programs and help to determine whether these programs operate efficiently. Since 1991, Florida has been using a statewide computerized database for its welfare programs that is known as the FLORIDA (Florida On-Line Recipient Integrated Data Access) system.

Like most systems of its kind, FLORIDA is large and complex. It is difficult, expensive, and time-consuming to make substantial changes in systems of this kind. Because FTP was not a statewide program, officials of the Department of Health and Rehabilitative Services (HRS) decided not to reprogram the FLORIDA system to reflect the program's new eligibility rules (for example, the time limit and the expanded earned income disregard). This decision dramatically affected the implementation of FTP. It meant that staff in the pilot counties had to perform some key procedures manually, including tracking participants' time-limit clocks. In addition, because the FLORIDA system issues AFDC checks under FTP (but is programmed to reflect traditional AFDC rules), staff had to perform "workarounds" in the system to apply FTP's special eligibility rules. In interviews, staff consistently reported that these tasks consumed substantial amounts of time.

Eventually, a personal-computer-based Local Area Network (called the Case Management System, or CMS) was developed to manage many FTP MIS functions, but this system was not operational in Escambia County until well into 1995. Moreover, the CMS is limited in some respects because it is not directly linked to the FLORIDA system or to the information system used to track Project Independence activities. In essence, FTP managers and staff must use three data systems simultaneously.

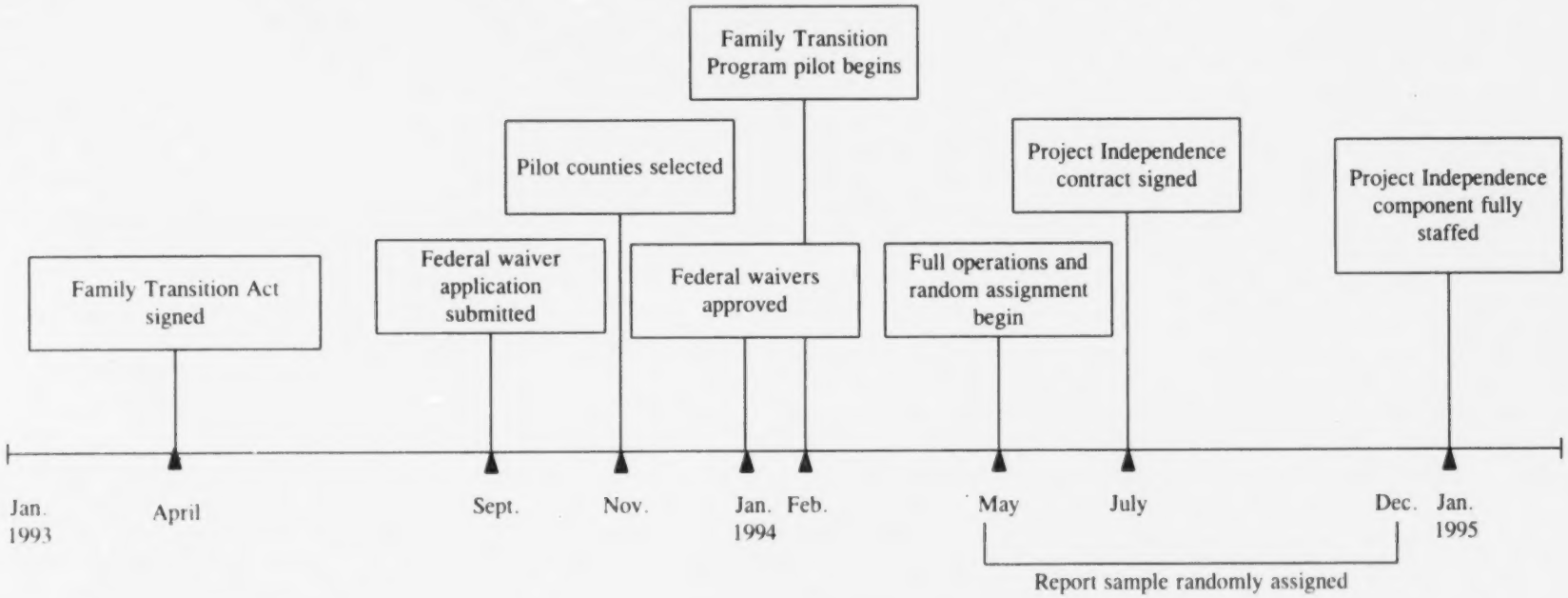
3. Unclear policies. As is often the case with new initiatives, many of FTP's policies and procedures were not clearly defined when the program began operating. Several examples are discussed elsewhere in this report: the procedures for determining whether participants are assigned a 24- or 36-month time limit, the policy for "compliant" participants who reach the time limit without obtaining a job, the emphasis of the employment component, and others. Although most of the key areas of uncertainty have been clarified over time, staff reported that the early operational period was characterized by repeated changes in policies and procedures and by considerable confusion among staff and participants.

---

[2]The Family Transition Act required HRS to begin to implement FTP "as soon as possible but no later than three months after it receives federal waiver approval and sufficient funds."

Figure 2.1
Florida's Family Transition Program
Escambia County

Milestones in the Development and Early Implementation of the Family Transition Program



4. External scrutiny. As noted earlier, FTP was one of the first time-limited welfare programs in the country to begin operations. Consequently, the program has been in the spotlight since its inception, and managers and staff have fielded a continual stream of inquiries and requests for information from legislators, the media, and officials in other counties and states, among others. As one staff member put it, working in FTP is "like working in a glass house." Although this attention can be exciting for staff, responding to requests for information is also quite time-consuming. The lack of an adequate computerized MIS compounded the problem because, especially in the early months, staff needed to spend large amounts of time manually compiling information about program performance.

B. Start-Up Issues in Escambia County

In addition to the contextual factors just discussed, several issues specific to Escambia County affected the early implementation of FTP there.

1. The Project Independence contract. As discussed in Chapter 1, employment and training services are a central element of FTP. These services are mostly provided through Project Independence (PI), Florida's JOBS program, which is operated by the Florida Department of Labor and Employment Security (DLES) under a statewide contract with HRS.[3] Because FTP serves a broader share of the AFDC caseload and is intended to provide more extensive services than the traditional PI program, part of FTP's funding has been used to expand PI in Escambia County. However, rather than revising the statewide PI contract to cover this expansion, program planners decided that the local HRS office in each of the pilot counties should negotiate a separate contract with the local PI program to provide employment and training services to FTP participants; this was done in part to allow local administrators more flexibility in shaping the program.[4]

In Escambia County, there was a substantial delay in negotiating a contract with the local Project Independence program. Although FTP began enrolling participants on a pilot basis in February 1994, the local PI contract was not signed until July, and the full contingent of PI staff was not assigned to FTP until January 1995, roughly 11 months after the first participant enrolled; more than 1,000 people were randomly assigned to the program group during this period.

Staff reported that some participants temporarily "fell through the cracks" during this early period and were not referred quickly to employment-related activities. In addition, many of the special employment-related services that have been developed for FTP participants (described below) were not in place during the program's early months. Finally, in part because of the staffing delays, there was some difficulty integrating the PI component into the broader FTP program; in many ways, PI and FTP operated as two distinct programs during the early period, and staff reported that there were "culture" clashes between the two sets of workers. For

[3]As noted in Chapter 1, this basic structure still exists, but the name Project Independence was dropped in late 1996.

[4]In 1996, FTP came under the umbrella of the statewide contract. The traditional PI program, which serves control group members in Escambia County, has been funded under the statewide PI contract throughout the study period.

example, as discussed in more detail in the first report on FTP, staff reported that disagreements sometimes arose about the most appropriate strategies for helping participants become self-sufficient and, particularly, about the correct balance between "helping" and "coddling."

2. Bringing services under one roof. The Family Transition Act stipulated that "to the greatest possible extent, there must be a single location at which participants can receive program services." This "one-stop-shopping" approach was seen as particularly important in the context of a time limit, when delays in accessing services can waste scarce time for participants.

Over time, an impressive array of services have been assembled in the FTP service centers. However, owing to a combination of logistical problems (e.g., lack of office space) and delays in developing inter-agency linkages, it was difficult and time-consuming to bring these services under one roof. Consequently, many of them were not available on-site in the early months of implementation.

II. Organizational Structure, Staffing, and Program Flow

In addition to its enhanced services, expanded mandates, and differing welfare eligibility rules, FTP's staffing and organization are different from those of traditional AFDC. FTP's structure and staffing are intended to facilitate the program's effort to change the day-to-day reality of welfare for both staff and recipients. This section briefly describes the structure and staffing of each program and the typical sequence of activities for recipients after their random assignment to the program and control groups.

A. Organizational Structure

Both the Family Transition Program and the traditional AFDC program are operated by HRS, the state's welfare agency. Florida's welfare system is state-administered, which means that the staff who administer FTP and AFDC in Escambia County are state employees.

HRS, which operates its programs through 15 service districts, places a strong emphasis on local autonomy. Thus, staff in District 1, which includes Escambia County, were given substantial flexibility to shape the FTP model to fit local conditions.

An array of public and nonprofit agencies play a role in FTP. Perhaps the most important partner is Project Independence. As discussed earlier, PI is contracted to provide employment and training services to FTP participants. PI operates some of these employment-related services directly; but many of its services, particularly education and training, are provided by community colleges, school districts, and other agencies in the community. Some of these entities have contracts with PI, while others serve PI participants using separate funding streams.

In addition to its contract with PI, the Escambia County FTP program has developed linkages with a number of other agencies to provide a variety of social and health services to FTP participants. Many of these services are discussed below and in Chapter 3.

B. Physical Layout and Staffing

FTP and the traditional AFDC program operate side by side in two Escambia County welfare offices. The two programs are physically separate within each office (that is, all FTP staff sit together in a particular wing or floor, along with the co-located health, mental health, and child care partner staff).

Each recipient in the traditional AFDC program is assigned to a public assistance specialist (PAS), who is responsible for determining eligibility for public assistance and calculating benefits. Recipients who are required to participate in Project Independence also work with a PI career advisor, who assigns them to employment-related activities and monitors their progress. These two workers do not share caseloads; in other words, the participants assigned to a particular career advisor may be assigned to many different PASs, and vice versa. In addition, the PASs and PI staff are located in different areas of the welfare office.

Recipients in the FTP group are also assigned to two workers. The first, the FTP case manager, is responsible for eligibility functions, but is also expected to play a broader role in helping the participant develop and implement a plan for achieving self-sufficiency. Case managers' caseloads are considerably smaller than those of traditional PASs. As of July 1996, the 31 FTP case managers were responsible for an average of 32 active FTP cases each, plus an average of 18 additional cases that were no longer receiving cash assistance but were still receiving Food Stamps and/or Medicaid coverage.[5] In contrast, PASs are typically responsible for about 150 cases per worker.

Nearly all FTP participants are also assigned to a PI career advisor. As of July 1996, just over 20 designated career advisors were assigned to work with FTP participants (these staff are referred to as "FTP/PI workers" to distinguish them from career advisors in the traditional PI program that serves control group members). Normally, each of these designated FTP/PI workers handles the cases assigned to two specific FTP case managers; these staff sit close to one another to facilitate regular communication.

In addition, as noted earlier, a broad range of other staff and services are housed in the FTP service centers. These include a Health Department nurse, child care staff, a mental health counselor employed by a local mental health facility, child support enforcement staff, and a Workfare coordinator employed by Escambia County.

C. FTP Program Flow

As discussed in Chapter 1, individuals go through the random assignment process when they are applying for AFDC or attending a recertification interview. Those who are assigned to

[5]The case managers were also responsible for an average of 31 closed cases each. These are cases that have been assigned to the program group but are no longer receiving public assistance. Workers usually have few ongoing duties for these cases, but would be responsible for them if the individuals returned to public assistance.

the program group are automatically enrolled in FTP. This section reviews the key steps that follow random assignment.

1. The FTP intake process. The FTP intake process has changed several times since the program began operating, as managers have experimented with different ways to streamline and improve the program's "front door."

In general, individuals who are assigned to the program group complete their application or recertification with an FTP case manager. During this interview, staff provide an initial description of the program's rules and services.

The "official" introduction to FTP occurs at orientation, a session that includes a detailed description of the time limit and other rules, as well as the available incentives and services. Orientation presents a key opportunity to transmit the FTP "message" to participants. The session typically occurs within a week or two after random assignment. In the program's early days, when members of the report sample entered FTP, there were usually two separate orientations, one for FTP and one for Project Independence. During some periods, one or both of the orientations was conducted in a group format; at other times, they were done individually (in some cases, case managers and PI staff were able to schedule joint one-on-one orientations). Eventually, the two orientations were merged into a single group session that includes presentations describing all of the key FTP services and components, including the employment and training activities provided through PI.

In an effort to speed up the intake process, FTP/PI staff may begin working with AFDC applicants before their application has been approved. Thus, in some cases, FTP/PI staff spend time working with individuals who never receive AFDC. Although staff sometimes feel that this wastes time, it is possible that early contact with PI could reduce (or, in theory, increase) the number of people who complete their applications and start to receive AFDC.

2. Determining the participant's time limit. During the intake process, each FTP participant is assigned a "clock type." In general, recipients eligible for FTP are allowed up to 24 months of AFDC receipt in any 60-month period. However, two categories of particularly disadvantaged recipients are assigned a longer time limit: 36 months of receipt in any 72-month period. The first such category—long-term recipients—includes people who have received AFDC for at least 36 months during the 60 months prior to entering FTP. Staff review computerized or paper records of past AFDC payments to determine whether each new FTP participant meets this criterion.

The second category is somewhat less clear-cut. The Family Transition Act defines this group as people who are "under 24 years old, have no high school diploma or are not currently in high school or a high school equivalency program, *and* have little or no work history in the past year."[6] However, early FTP training materials included the word "or" rather than the word "and" before the reference to limited work history. Thus, some case managers said they initially

[6]Emphasis added. "Little or no work history" was subsequently defined in the FTP rules as three months or less of work in the prior 12 months.

assigned a 36-month time limit to everyone with limited recent work history, regardless of the recipient's age or high school diploma status, and to all recipients under age 24 without a high school diploma, regardless of recent work history. This rule was clarified in 1995.[7]

The length of a recipient's time limit may affect the content of her employability plan (discussed below). Certain longer-term education or training activities may be impossible under a 24-month clock, but feasible under the longer time limit.

3. Developing an activity plan. FTP participants must meet three types of requirements: (1) normal welfare eligibility requirements, such as reporting income and having their eligibility periodically recertified; (2) a requirement to participate in employment-related activities, usually for at least 30 hours per week; and (3) FTP's parental responsibility mandates. In general, case managers are responsible for supervising the eligibility functions and for monitoring and enforcing the parental responsibility mandates, while FTP/PI career advisors are responsible for overseeing employment-related activities.

After orientation, staff work with participants to develop a plan of activities. During the start-up period, staff completed two separate plans for each participant: an FTP self-sufficiency plan (completed by the case manager) and a PI employability plan (completed by the career advisor). The self-sufficiency plan laid out the participant's goals, barriers to achieving these goals, and steps to overcoming the barriers. The employability plan described the particular job search, education, or training activities to which the participant would be assigned. As discussed in the earlier report, many staff believed that these two plans were redundant. Eventually, they were combined into a single FTP plan, which is either completed in a single individual interview, with both the case manager and career advisor present, or completed in parts during separate meetings with each worker.

PI employment-related activities constitute a large part of most participants' FTP plans. A participant's specific PI activity assignments are determined in part by her job readiness. The Family Transition Act defines a specific sequence of employment-related activities for participants who are considered job ready: They must be assigned to job search activities for three weeks, and if they remain on welfare after that point, they must be assigned to unpaid work experience. The legislation does not specify a sequence for non-job-ready participants, nor does it define the term "job ready."

In Escambia County, FTP participants are considered job ready if they: (1) have a high school diploma or equivalent and a literacy level of at least grade 10.9; and (2) have been employed for 12 months or more out of the previous 24. Staff report that this definition results in the majority of FTP participants being defined as not job ready (although they also note that there is some flexibility in applying the criteria). Thus, for most participants, there is no predetermined sequence of activities; employment and training assignments are individualized.

---

[7]MDRC has obtained the current clock type (as of summer 1996) for each program group member in the report sample; these data are up-to-date and accurate. However, the confusion over the criteria for a 36-month clock type complicates the process of estimating the clock type for control group members based on baseline characteristics. This issue is discussed further in Chapter 4.

As discussed further below, participants are frequently assigned to more than one activity concurrently in order to meet the 30-hours-per-week requirement.

As in traditional AFDC, recipients who fail to comply with eligibility requirements usually lose their grants. Those who fail to comply with employment-related or parental responsibility mandates without good cause are sanctioned (that is, the parent is removed from the grant calculation, which means that the benefit amount is reduced); case managers are responsible for administering sanctions. In addition, the Family Transition Act created an unusual compliance mechanism known as a Review Panel. This panel, composed of community representatives, reviews the cases of noncompliant participants at least every nine months. The Review Panel is discussed in detail in Chapter 5.

4. FTP's activities and services. FTP provides a broad array of activities and services. The general categories of employment-related services are similar in FTP and traditional PI. However, FTP's relatively generous funding has allowed administrators to develop enhanced services within each category; these special services are open only to FTP participants. Specifically, they are as follows:

- **Job search.** FTP operates two group job search workshops (known as Employability Skills Workshops). One, known as Level I, is a relatively brief "job readiness" course for non-job-ready participants; this course does not stress actual job search. The other, Level II, is designed for job-ready participants and includes a two-week classroom session focusing on job-seeking and job-holding skills and a two-week session in the local Jobs and Benefits (Job Service) office in which staff help participants actually look for jobs.[8] The traditional program operates a single job club. Both programs also use individual job search, in which participants are required to make contact with a specific number of employers each week and report back to their career advisor.

- **Education.** Both programs assign some participants—typically those who lack high school diplomas or have very low literacy levels—to institutions in the community that provide Adult Basic Education or preparation for the General Educational Development (GED) certificate. In addition, FTP has contracted with a local junior college to develop and staff computerized learning labs in the FTP service centers. The labs, called Career Transition Centers, allow students to work at their own pace; their proximity makes it easier for staff to monitor participants' activities. Neither version of PI places a strong emphasis on post-secondary education, but some participants who enroll in college on their own may have this activity approved by PI staff.

- **Training.** Both programs refer participants to occupational training programs operated by junior colleges and other institutions. These programs provide classroom training in a particular occupational area. In addition, FTP has

[8] The Job Service maintains a computerized listing of job openings in the community.

worked with local employers and training providers to establish special short-term training programs for FTP participants facing time limits. These programs are closely linked to particular industries or employers to ensure that the training is relevant and likely to lead to employment. In some cases, graduates of training programs move directly into on-the-job training (OJT) positions with the employers who helped design the training programs.[9] One special program trains certified nurse assistants for local nursing homes.

- **Unpaid work experience.** Both FTP and traditional PI place some participants in unpaid positions, usually with public or nonprofit agencies. However, the rules governing this activity differ. In the traditional program, a participant's required work hours are usually determined by dividing the amount of her grant by the hourly minimum wage. In FTP (where the activity is called Workfare), work hours are based on a determination of the participant's training needs. In addition, FTP has contracted with Escambia County to place a workfare coordinator on-site in each FTP office.

In addition to these core employment services, FTP has developed enhanced assessment capability. Both programs refer some participants for vocational assessments to identify their aptitudes and interests; these data help in designing the employability plan. But FTP has used program funds to ensure that a broader range of assessment options are available, particularly for participants facing serious barriers to employment. These include psychosocial assessments provided by a local mental health facility. FTP's funding ensures that assessment slots are available without prolonged waiting periods.

Finally, FTP participants have access to special workshops and a variety of social and health services. The workshops include a two-week course called Survival Skills for Women, stressing life skills, self-esteem, and other issues, that is operated under contract by the local Children's Services Center, and a separate course in parenting skills. Other services include subsidized child care (a nonprofit agency, working under contract, assists participants in identifying, evaluating, and selecting child care providers); payments for transportation and other work-related expenses; mental health counseling; and health services provided by the on-site nurse.

Many of the services available to FTP participants are theoretically available to control group members as well. However, because FTP has a relatively generous dedicated funding stream, the program has been able to purchase program slots or staff positions in other agencies to ensure that its participants have ready access to services without having to wait.

All the special services described above were in place in the summer of 1996, when data collection for this report ended. However, owing to the start-up delays described in the previous

[9] OJT programs provide private employers with a subsidy in return for hiring and training welfare recipients or members of other disadvantaged groups. Typically, the subsidy covers about one-half of the participant's wages for the first two to six months. After that, it is expected that the participant will move onto the employer's regular payroll.

section, many of them were not available during the early months of FTP operations. For example, two key services, the employability skills workshops and the Career Transition Centers, began operating in 1995.

5. Leaving FTP. FTP participants who leave welfare for work are permitted to enroll in the Bootstrap Program, which allows them to obtain continued education or training. In addition, they are eligible for transitional child care assistance for two years and transitional Medicaid for one year.[10] Those who receive Bootstrap services stay with their FTP case manager, even though they are no longer receiving cash assistance (they may be receiving Food Stamps).

The process followed when a recipient approaches and reaches the time limit is discussed in Chapter 5. Briefly, participants who are deemed "compliant" and are unemployed six months before reaching the end of the time limit are referred to a transitional job developer, who works intensively with them to find employment before the time limit. Those who are designated as "noncompliant" are referred to the Review Panel, which makes a recommendation to the HRS district administrator as to whether their benefits should be canceled at the time limit.

D. Program Flow in Traditional AFDC

Individuals assigned to the control group complete their application or recertification with a public assistance specialist in the traditional AFDC program. Those who are randomly assigned at application and are not exempt from Project Independence participation mandates are referred to PI staff for orientation and the development of an employability plan.[11] As in FTP, activity assignments depend on the participant's job readiness: Those who are considered job ready are assigned to job search activities initially, while non-job-ready participants are likely to begin with an assessment, and then a referral to education or training. However, the definition of "job ready" in the traditional program is broader than in FTP, and results in most participants being considered job ready.[12] There is no 30-hour-per-week participation requirement in the traditional program.[13]

For ongoing recipients who are randomly assigned to the control group at recertification, random assignment does not signal any particular change in their status. These individuals may or may not be participating in PI activities at this point.

---

[10]Consistent with the federal rules stemming from the Family Support Act of 1988, control group members are eligible for one year of both transitional child care and transitional Medicaid coverage.

[11]As discussed in Chapter 3, control group members are subject to the exemption rules laid out in the Family Support Act of 1988. Specifically, recipients caring for a child under age three are exempt from PI participation requirements.

[12]In traditional Project Independence, a participant is considered to be job ready if she has been employed for at least 12 of the previous 24 months *or* if she has a high school diploma or GED certificate.

[13]Under the Family Support Act, JOBS clients generally must participate for 20 hours per week in order to be "counted" as participants.

III. Characteristics of Escambia County and the Report Sample

Data on Escambia County and the FTP target population provide important background for the later discussion of the program's implementation and impacts.

A. Escambia County

Table 2.1 presents some basic information about Escambia County (and, for comparison, about the State of Florida and the United States as a whole). As the table shows, Escambia is a moderate-sized county by Florida standards. It has a relatively large nonwhite population, a fairly low median household income, and a poverty rate that exceeds the state and national averages. Nearly one-fourth of the county's population lives within the borders of the largest city, Pensacola.

In general, the breakdown of employment by sector is similar in Escambia County and the State of Florida. The key difference is that a much larger fraction of the Escambia County workforce is employed by government. This is presumably related to the presence of a large U.S. Navy air station in the county.

Escambia County's unemployment rate has been dropping throughout the period of FTP's implementation and has consistently been below the state average.

B. Characteristics, Attitudes, and Opinions of the Report Sample

As described in Chapter 1, just before individuals were randomly assigned to the program and control groups, HRS staff collected some "baseline" information about their demographic characteristics and attitudes, using forms designed by MDRC.

1. Characteristics of the report sample. Table 2.2 shows information collected from the Background Information Form for the report sample, which consists of single-parent cases who went through the random assignment process between May and December 1994 (including both program and control group members). BIF data are available for approximately 97 percent of the people in the report sample. Appendix Table A.1 provides information on how the report sample compares with people randomly assigned after December 1994. In general, the members of the report sample are somewhat more disadvantaged than the later assignees: Report sample members have less work experience, on average, and longer histories of AFDC receipt.[14]

As expected, the vast majority of report sample members are women, and their average age at the point of random assignment was about 29. Nearly one-third of the sample members

[14]This may be because the early sample had a preponderance of "on-board" recipients (people who were already receiving AFDC when FTP began) who were being phased into FTP. Over time, the pool of people going through random assignment included a greater proportion of welfare applicants, who are likely to be less disadvantaged.

Table 2.1

Florida's Family Transition Program
Escambia County

Selected Demographic and Economic Characteristics: Escambia County, State of Florida, and United States

Characteristic	Escambia County	State of Florida	United States
Total population (1995)	273,804	14,165,570	262,755,270
Rank among Florida's 67 counties	15	N/A	N/A
Nonwhite population (1992) (%)	23.1	15.5	16.5
Rural population (1990) (%)	14.1	15.2	24.8
Median household income (1989) ($)	25,158	27,483	30,056
Poverty rate (1989) (%)	17.0	12.7	13.1
Nonfarm employment by industry (1990) (%)			
Manufacturing	7.3	8.0	17.4
Trade	22.1	24.2	17.9
Services	27.2	30.9	25.5
Government	26.6	14.4	16.7
Construction	6.0	6.6	4.7
Finance, insurance, real estate	5.6	9.3	6.1
Other	5.2	6.8	11.7
Unemployment rate (%)			
June 1994	5.2	7.1	6.2
June 1995	4.6	5.9	5.8
June 1996	4.3	5.4	5.5

SOURCES: U.S. Bureau of the Census, 1996 (all total and rural population data, U.S. nonwhite population data, U.S. employment by industry data); U.S. Bureau of the Census, 1994 (all median household income and poverty rate data); Florida Department of Commerce, 1993 (county rank, data on Escambia's and Florida's nonwhite population and employment by industry); and Bureau of Labor Statistics, U.S. Department of Labor, 1996 (all unemployment rate data).

NOTE: N/A indicates that the data are not applicable.

Table 2.2

Florida's Family Transition Program
Escambia County

Selected Characteristics of the Report Sample at the Time of Random Assignment

Characteristic	Report Sample
Demographic characteristic	
Gender (%)	
Female	96.8
Male	3.2
Age (%)	
Under 20	7.7
20-24	24.8
25-34	45.2
35-44	19.2
45 and over	3.2
Average age (years)	29.1
Ethnicity (%)	
White, non-Hispanic	46.0
Black, non-Hispanic	50.9
Hispanic	1.2
Other	1.8
Family status	
Marital status (%)	
Never married	47.7
Married, living with spouse	1.0
Married, living apart	25.2
Separated	5.0
Divorced	20.3
Widowed	0.9
Number of children (%)	
None[a]	2.0
One	41.0
Two	29.4
Three	17.6
Four or more	10.1
Average number of children	2.0
Age of youngest child (%)	
2 years and under	42.2
3-5 years	25.8
6 years and over	32.0
Work history	
Ever worked (%)	91.3
Ever worked full time for 6 months or more for one employer (%)	60.5

(continued)

Table 2.2 (continued)

Characteristic	Report Sample
Any earnings in past 12 months (%)	47.4
Approximate earnings in past 12 months (%)	
None	52.6
$1-$999	18.8
$1,000-$4,999	16.1
$5,000-$9,999	8.3
$10,000 or more	4.1
Current employment status	
Work status this month (%)	
Currently employed	17.6
Looking for full-time work	35.7
Looking for part-time work	10.1
Not looking for work	36.4
Have a job, but not working now	0.2
Among those currently employed, average hourly wage ($)	5.00
Among those currently employed, average hours worked per week (%)	
1-19	23.8
20-29	30.9
30 or more	41.5
Educational status	
Highest degree/diploma earned (%)	
GED[b]	10.4
High school diploma	44.3
Technical/2-year college degree	5.0
4-year (or more) college degree	1.0
None of the above	39.3
Highest grade completed in school (average)	11.1
Public assistance status	
Aid status (%)	
Applicant	56.7
Recipient	43.3
Total prior AFDC receipt[c] (%)	
None	13.2
Less than 4 months	5.7
4 months or more but less than 1 year	16.5
1 year or more but less than 2 years	14.0
2 years or more but less than 5 years	24.6
5 years or more but less than 10 years	16.9
10 years or more	9.2

(continued)

Table 2.2 (continued)

Characteristic	Report Sample
Resided as a child in a household receiving AFDC (%)	
Yes, aid received 5 years or more	12.8
Yes, aid received less than 5 years	7.1
No	75.3
Don't know	4.8
Project Independence target group status	
In Project Independence target group (%)	
Parent under age 24, no high school diploma/GED	9.6
Parent under age 24, limited work experience	9.4
Recipient of AFDC 36 of past 60 months	26.3
Youngest child age 16 or over	0.8
Imputed time limit[d] (%)	
24-month clock	58.5
36-month clock	41.5
Housing status	
Current housing status (%)	
Public housing	6.6
Subsidized housing	15.0
Emergency or temporary housing	5.0
None of the above	73.4
Number of moves in the past 2 years (%)	
None	29.5
1 or 2	49.6
3 or more	20.9
Current and recent education and training activities	
Currently enrolled in education or training[c] (%)	
Any type	17.8
GED preparation[b]	3.2
English as a Second Language	0.1
Adult Basic Education	1.9
Vocational education/skills training	3.8
Post-secondary education	5.8
Job search/job club	2.4
Work experience	0.6
High school	0.7
If currently enrolled, program is part of Project Independence (%)	37.2

(continued)

Table 2.2 (continued)

Characteristic	Report Sample
Enrolled in education or training during the past 12 months[c] (%)	
Any type	23.4
GED preparation[b]	4.7
English as a Second Language	0.2
Adult Basic Education	2.1
Vocational education/skills training	5.4
Post-secondary education	5.7
Job search/job club	4.6
Work experience	1.1
High school	1.1
If enrolled during past 12 months, program was part of Project Independence (%)	41.2
Sample size	2,119

SOURCE: MDRC calculations from Background Information Forms for single-parent cases randomly assigned from May 1994 through December 1994.

NOTES: A total of 57 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Sample members with no children were pregnant with their first child at random assignment.

[b]The GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24 month time limit.

[e]Because some sample members may be in more than one category, totals may not equal all categories summed.

were under 25 years old when randomly assigned. Roughly equal proportions of the sample are African-American and white; there are few Hispanics.[15]

These data provide some indication of the magnitude of the task facing FTP in helping these individuals move to self-sufficiency. It is encouraging that the vast majority of sample members (91 percent) had at least some work experience prior to random assignment. At the same time, most had little *recent* work experience (only 12 percent had earned $5,000 or more in the previous year), and nearly 40 percent had *never* worked full-time for six months or more for one employer.

There is also evidence that many sample members have limited earnings capacity. Nearly 40 percent did not have a high school diploma or equivalent at the point of random assignment, and only 6 percent had a post-secondary degree. As expected, most were not currently employed; among those who were employed at the point of random assignment, the average hourly wage was only $5.00.

Finally, more than two-thirds of the sample members had at least one preschool child at the point of random assignment, and more than 40 percent had at least one child under age three. This suggests that there may be a heavy demand for subsidized child care.

The aggregate figures in Table 2.2 mask important differences among subsets of the report sample. For example, individuals who reported that they had received AFDC for five years or more as adults (26 percent of the report sample) have much less work experience than other sample members: 48 percent of the long-term recipients had worked six months for a single employer, compared to 65 percent of those who had received AFDC for fewer than five years. In addition, 55 percent of the long-term recipients had no high school diploma or GED certificate, compared with 34 percent of the shorter-term recipients. Finally, 73 percent of long-term recipients are African-American, compared to 43 percent of those who received AFDC for less than five years. Information on other subgroups of the report sample is provided in Appendix A.

2. Attitudes and opinions of report sample members. Table 2.3 displays information from the Private Opinion Survey for a subset of those in the report sample; about 92 percent of report sample members completed the POS, which was optional.

These data show that just over 70 percent of the sample members who were not employed at the point of random assignment reported that they were facing at least one of five specific barriers to employment. By the far the most commonly cited barriers related to child care and transportation, issues with which FTP offers assistance. About one-fifth of the respondents said they could not work because they or a family member had a health or emotional problem, and one-fifth said they were experiencing too many family problems. (There is some overlap between these two groups: About 30 percent said they had *either* a health or emotional problem

[15]Nationally, the AFDC caseload is about 37 percent non-Hispanic white, 36 percent non-Hispanic black, and 20 percent Hispanic.

Table 2.3

Florida's Family Transition Program
Escambia County

Attitudes and Opinions of the
Report Sample at the Time of Random Assignment

Attitude or Opinion	Report Sample
Client-reported barriers to employment	
Among those not currently employed, percent who agreed or agreed a lot that they could not work part time right now for the following reasons:[a]	
No way to get there every day	42.2
Cannot arrange for child care	49.2
A health or emotional problem, or a family member with a health or emotional problem	22.6
Too many family problems	22.8
Already have too much to do during the day	15.8
Any of the above five reasons	71.4
Client-reported preferred activities	
Given the following choices, percent who would prefer to:[b]	
Stay home to take care of their families	6.2
Go to school to learn a job skill	36.1
Go to school to study basic reading and math	5.5
Get a part-time job	5.4
Get a full-time job[c]	40.6
Percent who agreed or agreed a lot that they:	
Prefer not to work so they can take care of their families full time	20.9
Do not want a job because they would miss their children too much	9.7
Like going to school	79.4
Cannot go to school or a job training program right now because they are afraid to leave children in day care or with a babysitter	14.9
Percent who agreed or agreed a lot that children who go to day care or preschool learn more than children who stay home with their mothers	61.7
Percent who, if they had a choice, would prefer to work at a:	
Part-time job	24.8
Full-time job	75.2

(continued)

Table 2.3 (continued)

Attitude or Opinion		Report Sample
Client-reported expectations regarding employment		
If someone offered client a job that could support client's family a little better than welfare, percent who would likely or very likely take the job if:		
Client didn't like the work		70.8
Client had to work at night once in a while		78.5
The job was in a fast food restaurant like McDonald's		49.6
It took more than an hour to get there		41.0
If someone offered client a full-time job with no medical benefits, minimum amount per hour at which client would take the job:		
$ 5 or less	(%)	31.9
$ 6		18.3
$ 7		11.5
$ 8 or more		38.4
Median ($)		6.00
Mode ($)		5.00
Mean ($)		7.94
If someone offered client a full-time job with full medical benefits, minimum amount per hour at which client would take the job:		
$ 5 or less	(%)	45.1
$ 6		21.7
$ 7		10.6
$ 8 or more		22.7
Median ($)		6.00
Mode ($)		5.00
Mean ($)		6.67
If someone offered client a full-time job with full medical benefits, and the welfare department would let client continue to get most of welfare check, minimum amount per hour at which client would take the job:		
$ 5 or less	(%)	61.9
$ 6		13.3
$ 7		5.4
$ 8 or more		19.4
Median ($)		5.00
Mode ($)		5.00
Mean ($)		6.21
Clients' estimation of average value of employer-provided medical benefits per hour ($)		1.27
If client could get $800 a month, plus Medicaid and free child care, percent who would prefer:		
Getting all the money by working 40 hours a week		69.4
Getting half from welfare and half by working 20 hours a week		30.6

(continued)

Table 2.3 (continued)

Attitude or Opinion	Report Sample
If client could keep most of her welfare check and also keep any money earned from a $6-an-hour job, number of hours per week she would want to work (%):	
30 hours or less	35.4
Over 30 hours	64.6
Percent who agreed or agreed a lot that it will probably take them more than a year to get a full-time job and get off welfare	45.8
Percent who agreed or agreed a lot that they would take a full-time job today, even if the job paid less than welfare	38.2
Percent who agreed or agreed a lot that if they got a job, they could find someone they trusted to take care of their children	77.9
Percent who agreed or agreed a lot that:	
A year from now they expect to be working	89.5
A year from now they expect to be receiving welfare	16.2
Client-reported employment-related activities	
Percent who reported that they had been able to look for a job during the past three months to the following extent (%):	
Not at all	31.2
Some/a little	31.0
A moderate amount	21.3
A great deal	16.5
Percent who reported that, in the past four weeks, they had contacted (by telephone, mail, or in person) the following number of employers in order to apply for a job or ask about job openings:	
None	40.5
1-2	17.7
3-5	23.9
6-10	10.9
More than 10	7.0
Percent who reported that they planned to be in school or a training program in the next few months	57.5
Client-reported attitudes toward welfare	
Percent who agreed or agreed a lot with the following statements:	
I feel that people look down on me for being on welfare.	45.3
I am ashamed to admit to people that I am on welfare.	39.6
Right now, being on welfare provides for my family better than I could by working.	39.9
I think it is better for my family that I stay on welfare than work at a job.	10.5

(continued)

Table 2.3 (continued)

Attitude or Opinion	Report Sample
Client-reported social support network	
Percent who agreed or agreed a lot with the following statements:	
Among my family, friends, and neighbors, I am one of the few people who are on welfare.	32.8
When I have trouble or need help, I have someone to talk to.	77.3
Client-reported sense of efficacy	
Percent who agreed or agreed a lot with the following statements:	
I have little control over the things that happen to me.	23.7
I often feel angry that people like me never have a chance to succeed.	39.6
Sometimes I feel that I'm being pushed around in life.	45.5
There is little I can do to change many of the important things in my life.	28.2
All of the above	6.1
None of the above	32.0
Sample size	2,008

SOURCE: MDRC calculations from Private Opinion Survey (POS) data for single-parent cases randomly assigned from May 1994 through December 1994.

NOTES: A total of 168 sample members who chose not to fill out a POS are not included in the table. Distributions may not add up to 100.0 percent because of rounding. In most item groupings, individuals could agree or agree a lot with more than one statement in the grouping. Therefore, percents may add up to more than 100.0. Invalid or missing values are not included in individual variable distributions.

[a]Part time is defined as a minimum of 10 hours per week.

[b]Distributions do not add up to 100.0 percent because some individuals did not indicate a consistent preference. Multiple responses were not possible for this item.

[c]Full time is defined as 40 hours or more per week.

or too many family problems.) FTP offers counseling and health services that might address some of these issues.

A series of questions asked respondents to express their preferences among five activities: part-time work, full-time work, basic education, job training, and staying home to care for one's family. The largest share of respondents—just over 40 percent—said they would prefer full-time work. Another 36 percent preferred job training. Only about 6 percent said they preferred to go to school to study basic reading and math, and a similar proportion said they preferred to stay home to take care of their families (although, in response to another question, about 21 percent indicated that they "would prefer not to work so that they can take care of their families full time").[16] Interestingly, activity preferences do not vary much for respondents with very young children; however, those with children under age two were substantially more likely to agree that they cannot go to school or training because they are afraid to leave their child with a babysitter or in a day care center (not shown in the table).

In terms of their job preferences, the vast majority of respondents said they would take a job that supported their families a little better than welfare, even if they did not like the work (71 percent) or if they had to work at night occasionally (78 percent). However, fewer than half would take the job if it was at a fast food restaurant or if it took them more than one hour to get to. Less than 40 percent of respondents said they would take a full-time job that paid less than welfare (such jobs are likely to be rare; even a minimum wage full-time job would pay more than the combined total of AFDC and Food Stamps for most FTP families).

Several of the responses indicate that respondents place a high value on health insurance coverage. When asked about their minimum acceptable hourly wage, the average response was $6.67 an hour if the job provided health insurance and $7.94 an hour if it did not. In other words, respondents value health insurance at about $1.27 per hour.

Although respondents probably knew little about FTP's time limit at the point the POS was administered, very few of them expected to reach the "cliff." Only 16 percent said they expected to be receiving welfare in one year; 90 percent said they expected to be working at that point.

---

[16]The disparity between these two responses relates to the specific wording of the questions. The questions that asked respondents to choose among the five activities were constructed as a series of individual choices among pairs of activities. When asked specifically whether they preferred full-time work or staying home to care for their families, about 21 percent of respondents chose staying home. This is nearly the same percentage who, in a later question, said they "agree" or "agree a lot" that they prefer not to work so that they can take care of their families full time. For comparison, it is interesting to note that, in March 1993, about 45 percent of married mothers with preschool children nationwide did not work; another 17 percent worked part time.

Chapter 3

The Key Differences Between FTP and Traditional AFDC

Chapter 4 will describe the Family Transition Program's early impacts by comparing the welfare receipt and employment patterns of program and control group members. In order to interpret these results, it is useful first—in this chapter—to understand how FTP operated during the study period and, specifically, the ways in which program group members' experiences in FTP differed from control group members' experiences in the traditional AFDC program.

This chapter is divided into seven sections. The first section describes the data that are used to assess FTP's operations. The next five sections focus on five key areas in which FTP has differed from traditional AFDC, briefly describing the nature and extent of these differences. The areas are: the employment and training component, enhanced case management, the time limit and financial incentives, services and supports, and mandates and sanctioning. The final section offers some conclusions, focusing on whether the results presented in this report offer a fair assessment of FTP's potential.

In general, the data presented in this chapter suggest that program and control group members in the report sample had quite different experiences; that is, FTP differed in important ways from traditional AFDC during the study period. At the same time, owing largely to the start-up delays described in Chapter 2, early-enrolling program group members experienced an incomplete version of FTP, at least during their early months in the program. Thus, the results presented in this report may not reflect FTP's full potential. Later reports will examine data for a broader group of people, including many who entered FTP after the start-up period.

I. Data Sources and Analysis Issues

This section discusses the data used in this part of the analysis and identifies some issues that affect the interpretation of the results presented in this chapter.

A. Data Sources

FTP seeks to change welfare in many ways: by infusing a more self-sufficiency-oriented "message" into the day-to-day operation of the welfare system; by ensuring that recipients participate more intensively in employment-related activities; and by providing enhanced case management and an array of enriched services to help participants overcome obstacles to employment.

This chapter uses data from four main sources to assess the extent to which FTP succeeded in changing welfare in Escambia County during the study period:

- **Site visits.** MDRC staff visited the FTP offices periodically to interview line staff and managers and observe program activities.

- **Staff surveys**. In the summer of 1996, MDRC administered written surveys to all FTP case managers, public assistance specialists in the traditional AFDC program, Project Independence career advisors detailed to FTP (referred to as "FTP/PI" workers), and career advisors in the traditional PI program in Escambia County. In all, 126 staff completed surveys.[1]

- **Program casefiles.** In July 1996, MDRC staff collected information from FTP and Project Independence casefiles for just over 200 program and control group members, randomly chosen from the report sample. The casefiles provided data on individuals' participation in employment-related services, sanctioning, and other issues within 18 months after each person's date of random assignment.[2]

- **Client telephone survey.** In the spring of 1995, MDRC conducted a brief telephone survey of 81 program and control group members who had been randomly assigned approximately three months earlier.[3] The survey assessed respondents' awareness of the key features of FTP and their early experiences in the program. The results of this survey were discussed in detail in MDRC's first report on FTP and are mentioned briefly later in this chapter.

B. Analysis Issues

This chapter focuses on the report sample—individuals randomly assigned between May and December 1994—assessing how program group members' experiences in FTP differed from control group members' experiences in traditional AFDC.

Some aspects of this "treatment" difference are relatively straightforward to measure and assess. For example, the casefile data show which individuals in each group participated in Project Independence and what employment-related services each person received.

But other issues are much more difficult to address with precision, in large part because FTP changed so dramatically between May 1994, when the first random assignment took place,

---

[1]The numbers of staff completing surveys are as follows: 27 FTP case managers; 69 traditional public assistance specialists; 20 FTP/PI career advisors; and 10 traditional PI career advisors. At least 85 percent of the staff in each category completed surveys.

[2]MDRC reviewed FTP files and Project Independence files for program group members. The PI files include information on participation in employment-related activities, while the FTP files document eligibility activities, and also include information on social service referrals, Review Panel activities, the learnfare and immunization mandates, and other issues. Only PI files were reviewed for control group members, although data collectors also consulted the FLORIDA system and the Project Independence information system to obtain information on sanctions and exemptions from PI for controls.

[3]Most of the individuals who responded to this survey were randomly assigned in February 1995, just after the last assignees in the sample for this report.

and the summer of 1996, when the last data for this report were collected. Program group members who remained on welfare (and, hence, in FTP) for more than a few months—as most did—experienced a rapidly changing program. This probably affected the "messages" they heard from staff, the specific services they received, and the way program rules and policies were interpreted. Moreover, change did not occur instantly or uniformly; particular changes filtered through the program gradually, affecting individual supervisors and workers to different degrees at different times. The data available for this report are not nearly detailed enough to pinpoint exactly how particular changes affected particular participants during this two-year period.

In addition, the data are limited in three other respects:

- Owing to resource constraints, the staff surveys were administered only once, in the summer of 1996. In some instances, the responses may not reflect the way FTP operated in 1994, when members of the report sample first entered the program. This point is addressed in more detail at several points in the chapter.

- In addition to delivering concrete services, FTP seeks to change the "message" that is transmitted to recipients by the welfare system. If such a change occurs, it could be important to interpreting the program's impacts. However, the most important source of data on whether the message has changed—the views of program and control group members—is largely missing from the analysis at this point. A survey of several hundred people in each research group, administered in 1997, will help fill this gap.

- During the field visits, MDRC staff typically spent the bulk of their time with FTP managers and staff. Consequently, this chapter reflects more detailed knowledge about FTP than about traditional AFDC in Escambia County.

II. The Employment and Training Component

Employment-related services are the core of FTP; as noted in Chapter 2, most FTP participants are required to engage in these activities—mostly provided through Project Independence—for as long as they receive AFDC. However, employment-related services are not unique to FTP; control group members in the traditional AFDC program also have access to Project Independence and are subject to participation mandates. Thus, it is important to understand how FTP's employment component differs from the traditional Project Independence program that serves control group members.

Florida's Family Transition Act provided only limited guidance regarding the specific differences between the traditional Project Independence program and the version of PI that would serve FTP participants. The act reduces exemptions from PI participation mandates, specifies a particular sequence of activities for job-ready participants, and creates the Bootstrap program for former FTP participants. Beyond these specific changes, however, the act simply directs HRS to "expand" Project Independence, and says that "priority should be placed on

assisting participants to achieve self-sufficiency by obtaining employment or higher-paying jobs."

This section examines the overall rate of participation in PI services for both groups, describes what types of employment-related services participants received, and briefly discusses staff's perceptions of the quality of these services.

A. Project Independence Participation Rates

Table 3.1 shows the proportion of program and control group members who participated in any employment-related activity through Project Independence within 18 months after random assignment; as noted earlier, these figures are based on casefile data collected for a randomly selected subset of the report sample.[4] The top panel of the table shows that a much greater percentage of program group members entered PI employment-related activities during this period (58 percent for the program group versus 21 percent for the control group).[5]

A key reason for this disparity is that a greater proportion of the program group was required to participate in Project Independence. As discussed in Chapter 1, the control group is subject to the participation mandates that existed before FTP began—the rules that applied under the Job Opportunities and Basic Skills Training (JOBS) program. Under JOBS, several groups of recipients—including, most importantly, single parents caring for children under three years old—were not required to participate in employment-related activities. Federal waivers allowed FTP to narrow this exemption to parents caring for children six months old or younger.[6]

A separate analysis (not shown in the table) looked at the participation rate among sample members with a child under 18 months old at the point of random assignment; control group members with children this young would have been exempt from PI mandates throughout the 18-month follow-up period. Although the sample sizes are quite small, the analysis found that no control group members in this subgroup participated in PI, while a substantial number of program group members did so.

---

[4]These figures do not include participation in employment-related activities that were not arranged by PI. A survey will be used to obtain such data for both research groups because previous studies have found that many recipients obtain services on their own in their communities.

[5]A sample member is considered to have "participated" if she attended the activity for at least one day (although most participated for much more than one day). An individual who was assigned or referred to an activity but did not attend it is not considered to have participated in that activity.

[6]As noted in Chapter 1, individuals with a child six months old or younger at the point of random assignment were screened out. (They would be assigned at their next recertification if the child was then over six months old.) This means that virtually no one in the program group was exempt from PI due to the age of their youngest child when they first entered FTP. However, it is also important to note that Florida did not obtain waivers to change other JOBS exemption rules, and that PI and FTP exemptions are not the same. Thus, for example, an FTP participant who is working 30 hours per week cannot be required to participate in PI activities (because she is exempt under JOBS rules); however, because she is not exempt from FTP, her time-limit clock continues to run. The same applies to participants in the last two trimesters of a pregnancy, those living in remote areas, and others who are exempt under federal JOBS rules but not under FTP rules.

Table 3.1

Florida's Family Transition Program
Escambia County

Rates of Participation in Selected Activities Within 18 Months After Random Assignment, by Research Group

Measure	Program Group (%)	Control Group (%)
Ever participated in any employment-related activity, excluding assessment	57.9	20.8
Ever participated in:		
Any job search activity	19.6	11.9
Group job search/job club	9.4	5.0
Individual job search	13.1	11.9
Any education or training activity	43.9	9.9
Basic education[a]	20.6	5.0
Post-secondary education	16.8	4.0
Vocational training	13.1	1.0
Workfare/unpaid work experience	8.4	2.0
On-the-job training	0.9	0.0
Any workshop	15.9	1.0
Parenting skills workshop	2.8	0.0
Life skills workshop	8.4	0.0
Other workshop	8.4	1.0
Ever received a formal assessment	41.1	10.9
Vocational assessment	22.4	6.9
Mental health assessment	5.6	0.0
Other assessment[b]	25.2	5.0
Ever received a noncompliance warning letter	59.8	17.8
Ever sanctioned	30.8	6.9
Sample size	107	101
Among those who ever participated in any employment-related activity, the percentage who participated in:		
Any job search activity	33.9	57.1
Group job search/job club	16.1	23.8
Individual job search	22.6	57.1
Any education or training activity	75.8	47.6
Basic education[a]	35.5	23.8
Post-secondary education	29.0	19.1
Vocational training	22.6	4.8
Workfare/unpaid work experience	14.5	9.5
Any workshop	27.4	4.8
On-the-job training	1.6	0.0
Sample size	62	21

SOURCE: Family Transition Program and Project Independence casefiles for a random subsample of the report sample. The employment-related activities were provided though Project Independence.

NOTES: During the 18-month follow-up period, 44.6 percent of the control group and 11.2 percent of the program group were exempt from PI activities.

[a]Basic education refers to any participation in Adult Basic Education, high school, English as a Second Language, or General Educational Development.

[b]Other assessment refers to a Test of Adult Basic Education being conducted with no other types of formal assessment.

Although the exemption rules account for part of the disparity in participation rates between the two groups, several other factors may also have played a role. First, for several months in 1995, a shortage in funding for child care forced the traditional PI program to stop assigning new enrollees to activities; there were no comparable shortages in the relatively well-funded FTP/PI program. (As discussed in Chapter 2, the traditional PI program is funded under a statewide contract between HRS and DLES, while the FTP/PI program was funded under a separate local contract until mid-1996.) As one PI manager put it, "Money has never been an issue in FTP."[7]

Second, other elements of FTP that do not apply to control group members—for example, the time limit and the enhanced earnings disregard—may have motivated program group members to more readily attend the activities to which they were assigned.

Third, FTP's team-based staffing structure and relatively low client-staff ratios may make it easier for staff to monitor participants' activities and enforce participation mandates. In contrast, since FTP was implemented, the traditional PI program, never richly funded to begin with, has lost staff positions due to a statewide reallocation of resources. In mid-1996, there were only about 10 career advisors in the traditional program, and staff reported that PI workers' caseloads were two to three times higher in the traditional program than in FTP. Nevertheless, data on nonparticipants show that relatively few people in either group fell through the cracks entirely; in each case, more than two-thirds of the nonparticipants either left AFDC quickly (i.e., received benefits for three months or less during the follow-up period), were exempt from PI mandates, or were sanctioned for failing to participate. Overall, nearly 90 percent of program group members either participated in an employment-related activity, left welfare quickly, were exempt from PI, or were sanctioned.[8] The figure for the control group was slightly lower, just under 80 percent.

Although most program group members participated in employment-related activities within the 18-month follow-up period, there is evidence that the start-up delays described in Chapter 2 may have affected the speed with which they entered these activities. Just under 40 percent of the program group members who participated in Project Independence did not start their first employment-related activity until at least six months after random assignment. While noncompliance or scheduling problems may partly explain this lag, it is possible that the absence of permanent PI staff during the early months also contributed.[9]

---

[7]Funding constraints may have emerged after data collection for this report ended.

[8]This figure may be a conservative estimate. In reviewing casefiles, data collectors found several cases in which program group members were not participating in PI activities, but were working in unsubsidized employment for a substantial number of hours per week. Although FTP participants who are working less than 30 hours per week are not technically exempt from PI mandates, it may have been difficult to schedule activities around these participants' work schedules. Thus, the proportion of program group members who were either in one of the above-described statuses or worked while on welfare was probably higher than 90 percent.

[9]Data collected for MDRC's first report on FTP showed that individuals who entered FTP in February 1995, after the FTP/PI component was staffed, moved into PI activities faster than those who enrolled in August 1994.

B. Rates of Participation in Particular Types of Employment Activities

The bottom panel of Table 3.1 shows the rates of participation in specific types of activities among program and control group members who participated in at least one PI employment-related activity. These data show that program group members who participated were more likely than control participants to enter education or training activities and less likely to enter job search activities.[10]

The different patterns of activity assignments are probably attributable to the different definitions of "job readiness" used in FTP and traditional PI. As discussed in Chapter 2, staff report that FTP's narrower definition results in a greater proportion of participants being defined as not job ready, a designation that is more likely to lead to education or training activities.

More generally, the activity assignment patterns are probably affected by the program's philosophy. Most welfare-to-work programs fall along a rough continuum. At one end are programs that seek to move participants into the workforce quickly, relying mostly on job search and job placement activities. At the other end are programs that aim to build participants' skills (often referred to as "human capital") before they look for work, in order to help them obtain higher-paying or more stable jobs. Between these two poles lie a wide variety of mixed models that stress both types of activities to some extent.

Project Independence, whether inside or outside of FTP, is a mixed program; participants with higher levels of education and work experience are usually directed to job search activities, while those with lower levels are more likely to be assigned to education or training. However, as the data in Table 3.1 show, during the study period, the FTP version of PI appeared to focus more heavily on human capital-building services.

Interviews with staff indicated that, during the start-up period, FTP's employment strategy was not clear to many line workers. In the absence of clear guidance, many assumed that the program's generous funding, its emphasis on "self-sufficiency," and its relatively narrow definition of "job readiness" all implied a strong focus on skill-building services. Thus, it is not surprising that most program group members in the report sample who participated in PI were referred to education or training activities.

Over time, managers have attempted to instill a more "employment-oriented" philosophy focusing more on rapid employment; thus, activity assignment patterns may have changed since

---

[10]The data also show that program group participants were more likely to enter more than one type of activity. This may be because FTP is better able to enforce an ongoing participation requirement. Thus, individuals who finish one activity without finding a job may be more likely to be assigned to a subsequent activity. The prevalence of multiple activities may also be attributable to FTP's 30-hour-per-week participation requirement. Because many activities do not meet full time, it is often necessary to assign participants to two activities concurrently in order to reach the 30-hour level. In interviews, staff reported that it is often quite difficult (for both staff and participants) to coordinate multiple activities, and some questioned the value of requiring such a large number of hours of participation. As one staff member put it, "If you assign someone to two activities just to meet the hours requirement, it sometimes makes them fail at both." The data are not detailed enough to determine whether multiple activities were concurrent or sequential.

the data for this report were collected. However, both individual interviews and the staff survey suggest that workers have mixed views on this issue. On the one hand, when asked (in the summer of 1996) whether FTP's main goal is "helping [participants] get jobs as quickly as possible or raising their education and skill levels," 70 percent of the FTP/PI workers who completed the staff survey leaned toward the response "get jobs quickly" (the other 30 percent said both goals were equal; no respondents leaned toward "raise skill levels.")[11] On the other hand, when asked what the program's main goal had been one year earlier, 65 percent leaned toward the response "raise skill levels." This finding indicates that staff are quite aware of the shift in emphasis.

On the other hand, when asked about *their own* views, FTP/PI staff were evenly divided. In responding to the question "In your opinion, which is best for most welfare recipients who are subject to a time limit: getting jobs as quickly as possible and working their way up from a low-paying job or going to school or training in order to get a better job in the future?" 35 percent of staff leaned toward quick employment, 35 percent leaned toward school or training, and 30 percent said the two strategies were equal.[12] Because many FTP participants are not subject to a prescribed sequence of activities, staff attitudes may play an important role in influencing activity assignments.

C. The Quality of Employment Services

On the staff survey, most career advisors in both FTP and traditional PI rated the quality of Adult Basic Education, job search activities, and post-secondary education as "high." The only large disparities were in the ratings for workfare and occupational training, both of which were rated much higher by FTP/PI staff. As discussed in Chapter 2, FTP has developed enhanced service capability in both of these areas.

At the same time, it is important to reiterate that the staff surveys were administered in mid-1996, and that many of the enhanced FTP employment services were not available when members of the report sample entered the program. Moreover, the data available for this analysis are not detailed enough to determine which version of a particular service each participant received (for example, whether they participated in basic education through FTP's Career Transition Center or through another service provider in the community). In short, it is difficult to assess the quality of the services that participants in the report sample actually received, because it seems likely that many of them entered the program too early to access the special employment services developed for FTP.

---

[11]The questions on the staff surveys are mostly constructed in the form of seven-point scales. Respondents were asked to circle the number that came closest to describing their view. In discussing these results, this chapter generally combines respondents who circled numbers 1, 2, and 3 (they are described as "leaning toward" the low end of the scale) and those who circled 5, 6, or 7 (who are described as "leaning toward" the high end). Those who circled the neutral response, 4, are excluded from these results, except where noted.

[12]Although they are not as directly involved in determining participants' activity assignments, FTP case managers had very similar responses. When asked about FTP's main goal, two-thirds of the respondents leaned toward "get jobs as quickly as possible." However, when asked their own views, staff leaned more heavily toward education and training.

III. Enhanced Case Management

Since the early 1970s, welfare eligibility workers have typically focused narrowly on determining eligibility and calculating benefits. Separate staff have been responsible for providing services or employment and training assistance to AFDC recipients. In recent years, many have argued that this separation is counterproductive—that it sends an inappropriate message when a recipient's primary point of contact places so little emphasis on helping him or her become self-sufficient.[13]

As described earlier, FTP has changed the traditional staffing structure in two ways: First, eligibility workers have been replaced with FTP case managers, who have smaller caseloads and expanded responsibilities. Second, case managers have been paired with particular FTP/PI career advisors to tighten the linkage between these two components of the program; in addition, both of these staff are considered part of a broader team—including, potentially, child care staff, child support enforcement workers, the on-site nurse, and others—that is expected to address the multiple issues facing many participants.

Enhanced case management is considered a central feature of FTP. The program's staffing structure is intended both to ensure that participants receive more help, and to help shift the system's day-to-day focus from income maintenance to self-sufficiency. This section discusses some of the issues that affected the implementation of FTP's staffing structure, and then describes how enhanced case management seems to be affecting participants' day-to-day experiences.

A. Implementing the FTP Staffing Structure

FTP's staffing structure represents a major change in a welfare agency's standard operating procedures. Like any substantial change, this one faced implementation challenges.

1. Early challenges. Although there was strong general support for broadening the role of welfare eligibility workers and linking them more closely with the staff responsible for employment services, several practical considerations affected Escambia County's efforts to implement FTP's staffing structure. These issues (which are discussed in more detail in the first FTP report) included the following:

- Most of the people hired as FTP case managers had previously worked as public assistance specialists. Some reported that they had difficulty adjusting to a job that is less clearly defined and requires them to make many more judgment calls than they were used to. This issue was particularly relevant during the early months, when many of FTP's rules and procedures were in flux.

[13]Bane and Ellwood, 1994.

- In interviews, case managers reported that their eligibility-related duties tended to crowd out broader case management activities. Eligibility activities have strict deadlines and are inherently easier for supervisors to evaluate. The lack of an efficient MIS for FTP increased the time needed to complete the eligibility functions for each case.

- Some staff reported that it was difficult to balance their "helper" and "rule enforcer" roles. They said that participants were sometimes unwilling to confide in a person who is also responsible for verifying their eligibility for assistance.

The first report also discussed a number of obstacles to implementing FTP's "team" approach. In the early months, before the FTP/PI component was staffed and other partners had been stationed on site, the team concept could not be fully realized. Once the team members were on board, some difficulties were evident. While supporting the team approach in principle, staff reported that coordinating with other workers can be quite time-consuming. In addition, there were some obvious tensions between the key team members: FTP case managers and FTP/PI career advisors. Some career advisors complained that case managers "coddled" participants by failing to demand enough personal responsibility, while some case managers characterized career advisors as "rigid" or "inflexible." These tensions were probably attributable to the unusually close contact between the two sets of workers, lack of familiarity with each other's tasks, and the fact that the role of FTP case manager had not yet been fully defined.

2. More recent evidence. Data from the 1996 staff survey indicate that many of these early implementation issues have receded over time. For example, nearly 80 percent of FTP case managers and 90 percent of FTP/PI career advisors characterized their overall working relationship with the other group of workers as "very good."[14] The two sets of workers also agree that they have very frequent contact with one another and that they rarely disagree on the most appropriate employment strategy for participants.

Similarly, FTP case managers reported that they generally feel qualified to do the "case management" side of their jobs: Nearly 80 percent strongly agree that they have the necessary counseling skills and that they know what to recommend to clients to help them become more self-sufficient. Nearly two-thirds strongly agree that it is clear what client assistance work they are supposed to do.

Some of the early issues appear to be lingering, however. For example, there is still some evidence that the roles may not be clearly defined. When asked which type of worker is mainly responsible for "counseling clients to overcome personal issues that may prevent their being successful in employment and training activities," 40 percent of FTP/PI career advisors responded that this was "mainly done by PI staff," while only 4 percent of FTP case managers gave this response (case managers were much more likely to say that this task was done by both

[14]In contrast, only about 30 percent of traditional public assistance specialists characterized their relationship with PI staff as "very good."

types of workers equally). On a separate question, 30 percent of FTP case managers and 25 percent of FTP/PI workers reported that the delineation of their respective roles is not clear.

In addition, there is evidence that case managers are still having difficulty balancing their dual roles. On the survey, three-fourths of FTP case managers strongly agreed that "client assistance work is too time-consuming to combine with my financial work," and nearly 40 percent said that they are not able to do their client assistance work very well, given the number of clients they have. Finally, more than 40 percent of case managers reported that being a rule enforcer can interfere with being a helper and counselor.

Partly as result of these workload issues and the presence of the time limit (discussed further below), staff describe FTP as a high-pressure environment. In interviews conducted in 1996, case managers said that there had been considerable turnover in FTP and that it was getting more difficult to recruit public assistance specialists for FTP case manager positions. Overall levels of job satisfaction were not strikingly different for case managers and public assistance specialists, although a somewhat higher proportion of case managers—48 percent, versus 35 percent of traditional PASs—reported being somewhat or very satisfied with their jobs.

B. The Key Outcomes of Enhanced Case Management

Despite the challenges discussed in the previous section, data from surveys of staff and recipients both indicate that recipients' interactions with staff are quite different in FTP and traditional AFDC.[15] These differences appear to fall into two broad categories: (1) FTP participants and staff have much more frequent contact with one another and develop closer relationships than do staff and recipients in the traditional AFDC program; and (2) FTP staff spend a greater proportion of their time providing assistance to recipients and, in their contacts with recipients, are much more likely to address issues related to employment and self-sufficiency.

As noted below, the staff survey data suggest that these differences are attributable less to differences in the preferences of the two types of staff than to the fact that FTP case managers have more time for each recipient because their caseloads are smaller.

1. More frequent contact and more personal attention. Staff and recipients agree that FTP has greatly increased the frequency of contact between them. On the small 1995 telephone survey of program and control group members described in the first section of this chapter, program group members reported having had twice as many discussions with staff, on average, during the previous three months (the averages were eight discussions for the program group and four for the control group). Respondents were then asked whether they agreed or disagreed with the statement: "The welfare office staff are really interested in helping me

[15]Although the staff survey was conducted in 1996, and thus may not fully reflect the early experiences of report sample members, the telephone survey was conducted more than one year earlier. Moreover, field visits suggest that many of the characteristics of enhanced case management have been present since very early in FTP's operational life.

improve my life." The responses were strikingly different: 62 percent of program group members strongly agreed, compared with 12 percent of control group members.

Data from the staff survey support these points. As shown in the top section of Figure 3.1, more than 80 percent of FTP case managers said that they would have at least monthly contact (either by phone or in person) with an average recipient who had been on their caseload for six months. About 40 percent of traditional public assistance specialists reported such frequent contact. This difference is statistically significant.[16]

The bottom section of Figure 3.1 shows the results of two scales that were created using several different survey questions. The first of these scales is based on a series of questions that asked whether staff take the time to learn in depth about recipients' backgrounds, problems, and motivation. The second scale uses a series of questions that asked staff whether they would be likely to take particular steps, such as calling a participant prior to a job interview to provide encouragement. As the figure shows, FTP case managers were much more likely than traditional public assistance specialists to score high on both of these measures. (The methodology that was used to create these scales is described in Appendix B.)

2. A greater emphasis on employment and self-sufficiency. In the 1995 telephone survey, respondents were asked whether they had had discussions with staff about a number of specific issues in the past three months. Program group members were much more likely to report discussions about employment/training, mental health/counseling, housing, support services, and paternity establishment.

The staff survey addressed this issue in several ways. First, several questions asked staff to compare their client assistance work with their financial work. "Client assistance work" was defined as helping and advising clients to make good decisions about education and other services, looking for and taking jobs, seeking help from other social service agencies, and removing their personal barriers to self-sufficiency. "Financial work" was defined as accurately verifying and determining eligibility and benefits. In general, case managers and public assistance specialists gave similar responses to questions about the importance of client assistance work: The vast majority of workers in both groups said that client assistance work is either as important as or more important than financial work. However, as shown in the top section of Figure 3.2, in practice FTP case managers reported spending a much greater proportion of their time on such work. Case managers were also somewhat more likely to report that their client assistance work is mainly concerned with issues related to self-sufficiency, as opposed to short-term crises. These differences are probably related to the case managers' smaller caseloads.

A second set of questions asked staff to estimate the percentage of their cases in which they observed the need for particular types of services, such as counseling, help in finding a place to live, and drug or alcohol abuse treatment. FTP case managers and traditional public assistance specialists had remarkably similar responses. For example, both groups estimated that between

[16]As explained in Chapter 4, if an impact is statistically significant, one may be confident that the program had a real effect on the outcome in question.

Figure 3.1

Florida's Family Transition Program
Escambia County

Frequency of Contact and Level of Personal Attention in the Family Transition Program and Traditional AFDC

Percent of workers who would have at least monthly contact (in person or by telephone) with an average client on their caseload six months:

Percent of workers who try to learn in depth about clients' backgrounds, problems, and motivation:

Percent of workers who provide specific kinds of encouragement and positive reinforcement to clients:

SOURCES: Surveys of Family Transition Program case managers and traditional public assistance specialists.

NOTES: The questions on the staff surveys are mostly constructed in the form of 7-point scales. Respondents were asked to circle the number that came closest to describing their view. In discussing these results, this figure generally combines respondents who circled numbers 1, 2, and 3 and those who circled 5, 6, or 7. Those who circled the neutral response, 4, are excluded from these results, except where noted.

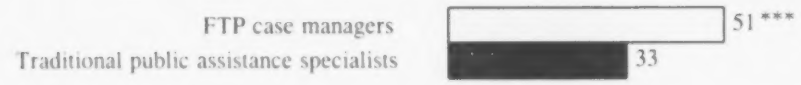
A two-tailed t-test was applied to differences between the proportion of Family Transition Program case managers and traditional public assistance specialists whose views leaned toward one end of the scale on the question. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Figure 3.2

Florida's Family Transition Program
Escambia County

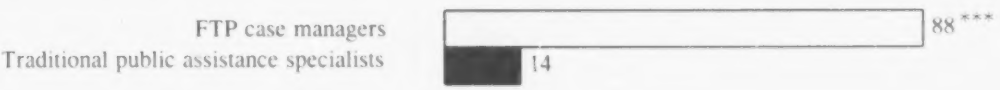
Emphasis on Client Assistance, Employment, and Self-Sufficiency in the Family Transition Program and Traditional AFDC

Average percent of work time spent on client assistance work (as opposed to financial work):



Percent of workers who address specific employment and self-sufficiency issues at intake interviews:

Percent of workers who address specific employment and self-sufficiency issues during redetermination interviews:



Percent of workers who address specific employment and self-sufficiency issues in general discussions with clients:

Percent of workers who say their job is "a great deal" about helping people get off welfare:

SOURCES: Surveys of Family Transition Program case managers and traditional public assistance specialists.

NOTES: The questions on the staff surveys are mostly constructed in the form of 7-point scales. Respondents were asked to circle the number that came closest to describing their view. In discussing these results, this figure generally combines respondents who circled numbers 1, 2, and 3 and those who circled 5, 6, or 7. Those who circled the neutral response, 4, are excluded from these results, except where noted.

A two-tailed t-test was applied to differences between the proportion of Family Transition Program case managers and traditional public assistance specialists whose views leaned toward one end of the scale on the question. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

25 and 30 percent of clients need mental health or counseling services. When asked how frequently they make referrals for services, the two sets of workers gave similar responses about problems related to immediate crises (for example, food and shelter), but case managers were more likely to refer clients for counseling or alcohol/drug abuse treatment. This difference probably relates to the fact that FTP has developed close linkages with social service providers; in some cases, staff from these agencies are stationed on site. Case managers were also much more likely to say they would follow up on these referrals.

Finally, several survey questions asked staff whether they would be likely to address a number of specific issues related to employment and self-sufficiency at intake and redetermination interviews, and in general discussions with recipients. For example, one question asked staff whether, in a typical intake interview, they would "ask the client if she is ready to alter her family situation to permit her to work part time or full time." The responses to these questions were used to construct the three scales represented in the center of Figure 3.2, all of which show that case managers are much more likely than traditional public assistance specialists to address the specified issues. The final question shown in the figure asked workers to what extent their job is about helping people leave welfare. Again, the responses of FTP case managers and traditional public assistance specialists were strikingly different.

IV. Time Limits and Financial Incentives

Time limits and financial incentives are obviously central elements of the "treatment" difference between FTP and traditional AFDC. But two perspectives are needed to assess whether these features are operating as intended. First, it is necessary to examine whether basic systems are in place to operationalize these components. In the case of time limits, this means assessing whether recipients' time-limit clocks are being monitored and whether there is a process for deciding how to treat families that reach the limits. As for financial incentives, the key question is whether the calculation of recipients' grants reflects the revised rules for counting earnings and assets.

In addition to their direct purposes—limiting the amount of time families receive welfare and providing more income to working families—time limits and financial incentives are intended to affect recipients' attitudes and motivation. Time limits are expected to create a sense of urgency that will motivate recipients to try harder to become self-sufficient. The financial incentives are supposed to alter recipients' perceptions about the financial trade-offs between welfare and work, thus encouraging them to get jobs. But in order for these policies to have the desired impacts, recipients must know that the policies exist and must understand how they work. Thus, the second way to assess the implementation of these policies is to examine whether and how staff discuss them and whether recipients appear to be getting the messages that staff are sending.

A. Are Basic Systems in Place?

Site visits and discussions with program staff indicate that systems are in place to implement both the time limits and the financial incentives. In both cases, however, workers are

hindered by the lack of a user-friendly computerized management information system. As noted in Chapter 2, the statewide FLORIDA system has not been reprogrammed to track time-limit clocks, and the personal-computer-based Case Management System (CMS) developed for FTP is not directly linked to FLORIDA. Thus, during much of the study period, workers needed to track the time limits manually. Some workers literally crossed off months on paper calendars attached to the inside of each participant's casefile. Chapter 5 discusses the process that has been put in place to review cases that are approaching the time limit.

A similar dynamic affects the financial incentives. FLORIDA conducts eligibility determination and issues AFDC checks, but the system is not programmed to reflect FTP's different rules. Thus, for example, in order to implement FTP's expanded earned income disregard, workers must perform "workarounds" to ensure that the system will issue a check in the correct amount.

B. Covering the Caseload

At the most basic level, FTP's effort to send a new message depends on the program's ability to have face-to-face contact with all or most participants. All program group members receive a brief face-to-face explanation of FTP at the point of random assignment, but this is not meant to be a detailed presentation. However, casefile data show that nearly 90 percent of program group members had some additional contact with FTP: They attended a program orientation, started working on a self-sufficiency or employability plan, or attended a PI employment-related activity. About one-third of those who did not reach any of these milestones never received AFDC during the follow-up period. In other words, these data suggest that FTP had at least some opportunity to transmit its message to the vast majority of eligible recipients; very few people fell through the cracks.

C. What Staff Are Saying About FTP's Time Limit

It is clear from observing orientation sessions and discussions between staff and participants that the time limit is a frequent topic of discussion. The staff survey supports this view. Figure 3.3 shows the responses to a number of questions that gauge how staff discuss the time limit with recipients. Responses are shown for both FTP case managers and FTP/PI career advisors, both of whom play key roles in transmitting FTP's message. (In general, the two types of workers gave quite similar responses.)

In response to the first question, large majorities of both groups of workers say that they often remind their clients about the time limit. This finding is reinforced by the responses to other questions, which are not shown in the figure. For example, more than 90 percent of FTP case managers say they often discuss the time remaining on a recipient's clock during redetermination interviews.

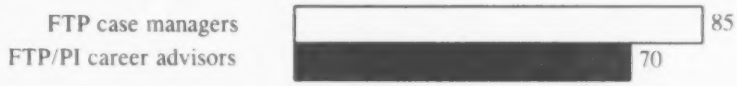
Most staff describe the time limit to participants in absolute terms. As shown in Figure 3.3, especially with new participants, relatively few staff discuss extensions or the possibility that FTP may provide jobs to participants who cooperate with FTP but reach the time limit without finding work. This emphasis stems partly from the fact that staff themselves have been uncertain

Figure 3.3

Florida's Family Transition Program
Escambia County

How Family Transition Program Case Managers and Project Independence Career Advisors Discuss the FTP Time Limit

Percent of workers who "often" try to motivate clients by mentioning when they will reach the time limit:



Percent of workers who "often" tell clients that if they cooperate with FTP, the program will ensure that they get a job by the time they reach the time limit:

Percent of workers who are "very likely" to tell a new FTP client about extensions of the time limit:

Percent of workers who report that reminding a client about the time limit is a "very effective" way to increase motivation:

SOURCES: Surveys of Family Transition Program case managers and Family Transition Program/Project Independence career advisors.

NOTE: The questions on the staff surveys are mostly constructed in the form of 7-point scales. Respondents were asked to circle the number that came closest to describing their view. In discussing these results, this figure generally combines respondents who circled numbers 1, 2, and 3 and those who circled 5, 6, or 7. Those who circled the neutral response, 4, are excluded from these results, except where noted.

about the policies; for example, in the survey, only 44 percent of case managers and 25 percent of FTP/PI workers strongly agreed with the statement: "FTP's policy is to provide a job to everyone who complies with the program, but is unable to find a job on their own by the time they reach their time limit" (this is not shown in the figure). This emphasis is also calculated to maximize the strength of the time-limit message: Workers reason that if participants think the time-limit policy contains loopholes, they may be less strongly motivated by it.

Another important element of the time-limit message relates to the short-term implications. For example, do staff tell participants that they should find jobs and leave welfare as quickly as possible in order to "bank" their available months of welfare? Or do they instead urge participants to see their 24 or 36 months as an opportunity to obtain education or training to prepare themselves for higher-wage jobs that can keep them off welfare permanently?

Although the data are too limited to draw firm conclusions, it appears that FTP does not have a single, unified message regarding this issue. On the 1996 staff survey, just under half of FTP case managers said that they "often" advise participants to go off welfare in order to save the months allowed under the time limit for when they are needed most. However, it seems likely that the message may have been different in 1994, when members of the report sample entered FTP. As noted earlier, many staff reported in interviews that they initially saw FTP as favoring longer-term, skill-building services. Initial FTP presentations (such as program orientation sessions) tend to combine information about the time limit with an upbeat message focusing on the numerous opportunities the program offers; this may create the impression that recipients should use the time available to obtain these services.

D. What Staff Are Saying About FTP's Financial Incentives

As noted in Chapter 1, FTP includes a generous earned income disregard: The first $200 plus one-half of any remaining earnings is not counted in calculating recipients' grant amounts. An earned income disregard may persuade people to go to work who would not otherwise have done so by altering their perception of the financial trade-off between welfare and work. However, the disregard will also benefit people who would have worked anyway; these individuals will remain eligible for at least a partial welfare grant during months in which their earnings would otherwise have made them ineligible. For the latter group, the disregard provides more income, but it does not change their initial behavior (although it may improve their job retention once employed). If the disregard is poorly "marketed"—that is, if recipients do not know it exists or do not understand how it works—the policy will be more likely to benefit people who would have worked anyway.

Although FTP's disregard is explained to participants, data from field research visits and the staff survey suggest that it is not the central element of the FTP message. For example, on the staff survey, most case managers said they emphasize the time limit and the enhanced financial incentives equally in their presentations to new participants, but a substantial minority—nearly 40 percent—said they emphasize the time limit more (none said they emphasize the incentives more). Similarly, 60 percent of FTP/PI workers said they emphasize the time limit more.

Another important issue regards the interaction between the financial incentives and the time limit. Because the disregard is in place, some recipients can work a substantial number of hours per week and still retain a partial AFDC grant.[17] Staff report that some program group members received relatively small grants for several months, with each one counting toward the time limit. In interviews, staff have discussed the fact that some recipients in this situation may be better off "opting out" of their AFDC grant and saving the months of eligibility for when they are needed more. However, it is not clear whether FTP has a consistent policy for advising recipients in this situation.

E. What Recipients Are Hearing About FTP's Time Limit and Financial Incentives

Clearly, the most direct way to assess what recipients are actually hearing and understanding about FTP's time limit and financial incentives is to ask them.

The 1995 telephone survey found that most program group members were aware of at least the broad outlines of FTP's policies. In this survey 100 percent of program group respondents said they had received an explanation of FTP; about 85 percent were aware of the time limit and the requirement to participate in PI activities; and more than 70 percent were aware of the school conference mandate and the immunization mandate. Knowledge of the enhanced earned income disregard and changes in asset rules was less widespread; about half the respondents were aware of these changes. In terms of their reactions, more than 70 percent of respondents said the time limit made them more likely to work, look for work, or get education and training.

Interviews and staff survey responses indicate that many staff are skeptical about whether the time limit strongly motivates participants. In the survey, just over half of case managers and nearly all FTP/PI workers reported that the average client who has just recently been assigned to FTP is "not worried" about the time limit. As shown in Figure 3.3, less than half of the respondents in each group felt that reminding a participant about the time limit is an effective way to increase motivation. In interviews, staff have often reported that participants tend to see the time limit as too distant to affect their short-term behavior.

These mixed feelings may stem from the fact that many staff think clients do not believe that their benefits will actually be terminated at the time limit. This point was frequently mentioned in interviews with staff in the early operational months, before anyone had actually reached the limit. Many staff predicted that attitudes would change once families began to reach the time limit and word spread in the community that their benefits were in fact canceled. Interestingly, though, in the staff survey, which was administered several months after the first recipient had reached the time limit, 56 percent of case managers and 75 percent of FTP/PI workers said that "few" clients believe that their benefits will be canceled at the time limit.

One final point is important to mention: In the 1995 telephone survey, about 15 percent of *control group* respondents said that they were subject to a time limit on welfare benefits, when

[17]For example, a single mother of two children who worked 25 hours per week at $5 per hour would receive a grant of about $132 under FTP, but would be ineligible after the first four months of work under traditional AFDC.

in fact, of course, they were not. This result should be viewed with caution, because the sample size for the survey was quite small (only 26 control group members were interviewed). Moreover, it is possible that some control group members were referring to a kind of time limit that has always existed: Their youngest child may have been close to "aging out" of AFDC. However, it is certainly possible that some control group members were confused by the publicity given to FTP and discussions about the time limit in their communities, and believed that they were subject to FTP's time limit (despite what staff told them). To the extent that this is true, and to the extent that time limits stimulate behavioral change in the pre-time-limit period, the treatment difference between program and control group members may be narrowed.

V. Services and Supports

In addition to enhanced case management and employment activities, FTP provides a variety of services and supports designed to help participants overcome obstacles to self-sufficiency. Although quantitative data on participants' utilization of these services is limited at this point in the study, discussions with staff suggest that they are a key feature of FTP, and an important part of the difference between FTP and AFDC. This section briefly discusses three categories of services: child care, support service payments, and other services.

A. Child Care

Under the federal Family Support Act of 1988, JOBS participants were entitled to child care assistance needed to participate in activities; in addition, people leaving welfare for work were entitled to one year of transitional child care assistance. These rules apply to control group members in the traditional AFDC program.

FTP's child care component differs in three principal ways. First, FTP provides two years of transitional child care, rather than one year, to recipients leaving welfare for work.

Second, the provision of child care assistance is organized somewhat differently under FTP. HRS subcontracts with a nonprofit organization, the Children's Services Center (CSC), to act as a resource and referral agency for both FTP and traditional PI; CSC maintains lists of child care providers by location and helps participants identify and choose an appropriate caregiver. At any one point, there are 300 to 400 providers, including licensed day care centers, certified family day care homes, and informal providers such as relatives or friends. The key difference between FTP and the traditional program is that CSC has stationed a parent counselor in each of the FTP service centers. Participants in the traditional program must visit CSC's office to arrange for child care.

Third, and probably most important, FTP has more generous funding for child care than the traditional program does. As noted earlier, in the traditional program, PI has sometimes been forced to stop assigning new participants to activities because child care funding has run out prior to the end of a fiscal year. "Freezes" of this type have not affected FTP; child care funding has been sufficient to serve all participants who need assistance. In fact, child care staff report that FTP has not spent all the funds budgeted for child care, largely because a smaller than

projected number of children are receiving care. Nevertheless, data collected by the state show that FTP is spending substantially more per person on child care than the traditional program is.

B. Support Service Payments

Project Independence has funding to pay for certain expenses that are necessary for participants to engage in activities or get jobs. These typically include transportation (gas vouchers or bus tickets), equipment, books, uniforms, and the like. In the traditional program, funding for work-related expenses is limited, and there is a cap on how much can be spent on each participant. Thus, the range of items that can be supported is limited.

As in many of the other areas discussed in this chapter, FTP has more funding available to pay for work-related expenses. Moreover, because FTP case managers play a much broader role than traditional public assistance specialists, local PI managers have agreed that career advisors will approve any expenses recommended by a case manager (traditional public assistance specialists play virtually no role in this process). Largely because of these factors, FTP participants have received payments for a wide range of expenses. Although MDRC has not systematically collected data on these payments to date (these data will be collected later for an analysis of FTP's costs), staff reviewing program casefiles for report sample members found references to payments for costly car repairs, taxis, and rent vouchers.

As in some other areas, there are disagreements among staff about the appropriateness of various specific types of payments. Some staff contend that certain participants are taking advantage of the program to obtain payments for car repairs and other expenses that either could be avoided or could be paid without assistance. These staff argue that FTP can perpetuate dependency by paying for expenses that are not directly related to either program participation or employment.

C. Other Services and Supports

FTP gives participants access to a range of services and supports that are not readily available to recipients in the traditional AFDC program. Perhaps the most obvious example is the on-site nurse who is stationed in each FTP service center. Although initially designed to facilitate FTP's immunization mandate, staff report that the nurse is heavily used by participants, many of whom have difficulty accessing health care.

VI. Mandates and Sanctioning

In addition to all the other differences described in the preceding sections, FTP participants are simply required to do more than recipients in the traditional program. They are required to participate in Project Independence, to ensure that their children are attending school ("learnfare"), to talk with their children's teachers, to ensure that their preschool children are immunized, and to attend a larger number of meetings and appointments at the FTP service center (or, in some cases, to meet with staff in their homes). In other words, FTP is a more

intensive experience. Some people believe that intensive mandates will, in themselves, make welfare less attractive and induce some recipients to leave.

Data from casefiles and the staff survey indicate that FTP is a relatively "tough" program, for a number of reasons. First, staff report that participants are closely monitored. In the survey, two-thirds of case managers reported that FTP participants are monitored "very closely" (only about one-third of public assistance specialists gave this response). FTP/PI workers said they would find out within one to three weeks (depending on the activity) if a participant stopped attending an assigned activity. Although no quantitative measures have been constructed, MDRC data collectors found evidence in casefiles that the learnfare and immunization mandates are being monitored and enforced.

Second, staff report that they follow up quickly when participants stop cooperating. Ninety percent of FTP/PI workers (compared to 40 percent of traditional PI career advisors) said they would send a warning letter to a participant within one week of learning that the individual had stopped attending an assigned activity. Indeed, 60 percent of program group members were sent at least one noncompliance warning letter within 18 months of random assignment; these letters start a process that may end in a sanction.

Third, case managers and FTP/PI staff nearly unanimously report that noncompliant participants are given few chances to resume attending the assigned activity before a sanction is imposed.

This combination of factors has translated into a high level of sanctioning. As shown in Table 3.1, nearly one-third of program group members had their grants reduced for noncompliance at some point within 18 months after random assignment.

Although sanctions are prevalent, many staff believe they are not sufficient to induce participants to comply with the rules. About 70 percent of case managers and 65 percent of FTP/PI workers believe that sanctions are not strong enough to persuade clients to cooperate. FTP did not obtain waivers to change the JOBS sanctioning rules, under which the payee (usually the parent) is removed from the grant calculation and the grant amount is reduced accordingly. In addition, in some cases, Food Stamp benefits automatically increase when the AFDC grant is reduced, partly offsetting the impact of the sanction.[18]

[18]FTP has taken two key steps to increase the impact of sanctions. First, in 1995, the program made procedural changes in the conciliation process that is used to resolve disputes about participation. The intent of these changes was to make sanctions occur more quickly in response to missed appointments. If a dispute is resolved within the 21-day conciliation period, but a sanction has already been imposed, the sanctioned amount can be reinstated retroactively. Second, after the period studied for this report, staff began to make a more concerted effort to sanction the participant's Food Stamp benefit when her FTP noncompliance also constituted noncompliance under the Food Stamp employment and training program.

VII. Conclusions

Given the substantial start-up delays described in Chapter 2, one might argue that this report—which focuses on an early cohort of enrollees who experienced FTP during this period—does not provide a fair test of FTP's potential. This final section summarizes the evidence on both sides of this question.

A. The Key Differences Between FTP and Traditional AFDC During the Study Period

The data presented in this chapter indicate that program and control group members in the report sample had quite different experiences during the follow-up period for this analysis. In other words, despite the start-up delays, FTP differed in important ways from traditional AFDC, even for early enrollees. Key differences include the following:

- Program group members were generally aware of the time limit and, perhaps to a lesser extent, of FTP's financial incentives, and there were systems in place to implement these components. Neither of these rules applied to the control group, although there is evidence that a small percentage of control group members believed that they were subject to some kind of time limit.

- A much larger proportion of program group members received employment-related services through Project Independence and, among those who received services, program group members were more likely to enter education or training activities. To some extent, program group members received enhanced versions of the key PI services created especially for FTP.

- Program group members had access to virtually unlimited child care funding and relatively generous payments for support services, while control group members faced limited resources in both areas.

- Program group members had much more frequent contact with welfare agency staff, and issues related to self-sufficiency, rather than just income maintenance, were more likely to be addressed in these encounters.

- Program group members were subject to a more extensive and intensive set of mandates, and were more likely to be sanctioned for not complying with these rules.

Finally, it is important to point out that field visits and some quantitative data indicate that FTP's operations have become more complete over time. Thus, even within the report sample, people who entered FTP in November or December 1994 probably experienced a somewhat more complete program than those who entered several months earlier. Moreover, while all of the program group members in the report sample entered FTP before the end of 1994, many of them stayed on welfare (and, consequently, in FTP) for many subsequent months. While these individuals' experiences were clearly shaped during the first months after random

assignment—which occurred during the start-up period—many of them also experienced a more complete version of FTP later.

B. FTP's Limitations During the Start-Up Period

The previous section suggested that FTP was substantially different from traditional AFDC, even during the start-up months. At the same time, it is clear that people who entered FTP during this early period experienced a less complete program than did their counterparts who enrolled later. The key limitations (compared to the way FTP operates today) included the following:

- The FTP/PI component was not fully staffed until late 1994 or early 1995. This meant that many early participants did not move as quickly into employment-related activities. Moreover, there was not smooth coordination between FTP case managers and other members of the team, particularly PI career advisors. In this context, participants were probably more likely to receive conflicting information about FTP's rules and overall message.

- Many of the enhanced employment-related services, such as the Career Transition Centers and the Employability Skills Workshops, were not in place until 1995. (At the same time, it is important to note that differences in the content of employment services were not explicitly part of the FTP model.)

- Some of the services and supports that are now located on site in the FTP service centers were not there during the early period—for example, the mental health counselor, the Workfare coordinator, and the child support enforcement unit.

- Early enrollees heard the time-limit message during a period before anyone had actually reached the limit, and staff reported that there was considerable skepticism about whether families' benefits would actually be terminated at the time limit.

C. Do the Results Presented in This Report Reflect FTP's Full Potential?

Although the program and control groups certainly received a different "treatment" during the study period, on balance it is probably safe to say that the results described in this report represent a conservative estimate of FTP's potential. In other words, people who entered FTP in 1995 and 1996 probably experienced a more complete program than the earlier enrollees. In addition, the later enrollees heard about the time limit during a period when it might have seemed more "real."

At the same time, the version of FTP that is studied for this report may be more policy-relevant than the later, more complete version. In fact, the less-mature FTP program may look more like time-limited welfare programs that will operate in Florida and elsewhere in the future. Because it is a relatively small pilot program, FTP is generously funded and, when operating at

full strength, is able to provide a rich array of services to participants. This situation is likely to become much less typical as states expand time limits to cover the full welfare caseload. For example, Florida's statewide WAGES program, implemented in late 1996, does not include as rich an array of enhanced services as does FTP.

Chapter 4
Preliminary Impacts of FTP

This chapter examines the impact of the Family Transition Program—that is, the extent to which FTP's combination of services, participation requirements, earnings disregards, and AFDC time limits produced changes (relative to the control group) in the employment and welfare behavior of individuals who were randomly assigned to participate in the program. In particular, it examines FTP's impact on employment, earnings, AFDC receipt (defined as the percentage of sample members receiving AFDC), AFDC payments (the dollar amount of AFDC), Food Stamp receipt, and Food Stamp payments. The chapter focuses on findings over the first 15 to 18 months following each sample member's entry into the study (the point at which the individual applied for or was being recertified for ongoing eligibility for AFDC and was randomly assigned either to FTP or to the control group).

To summarize the major findings discussed in this chapter: Over the first 15 months of follow-up, FTP produced an increase in program group members' employment and earnings and an increase in the rates at which they combined work and welfare. Specifically, FTP produced an increase (over and above the control group level) of approximately 4 percentage points in the proportion of program group members employed during this period and an increase of $491 in average earnings (a 15 percent increase relative to average earnings for the control group). During the last three months of the follow-up period, approximately 46 percent of the program group was working, compared with 40 percent of the control group (a 15 percent increase). During this same three-month period, 22 percent of the program group members were combining work and AFDC receipt compared with 14 percent of the control group (a 56 percent increase).

As discussed in Chapter 3, FTP provides its participants with opportunities to participate in education and training activities, and to work, while receiving AFDC. These incentives and opportunities could have extended participants' stay on AFDC, and thus increased AFDC payments, beyond what would have occurred had they not been assigned to FTP. The findings presented in this chapter indicate that this has not occurred.

While FTP increased the rate at which program group members combined work and welfare, it did not change overall AFDC receipt rates or the total amount of AFDC payments that program group members received during the follow-up period. The program did, however, reduce the amount of Food Stamps that program group members received by an average of $235 compared to the control group. This decrease resulted, in large part, from the increases in earnings which made program group members eligible for smaller Food Stamp grants.

These findings suggest that unless FTP significantly reduces AFDC receipt in the second and third years of follow-up, a substantial proportion of the program group may use up their AFDC eligibility and lose their benefits. Later reports will include a longer follow-up period and a larger sample, which will make it possible to determine whether FTP has a positive impact on inducing more people to substitute work for welfare over the long term. The larger sample will include individuals who entered FTP after the program was more completely implemented and

will enable the evaluation to determine whether they behave differently from the sample included in this report.

After describing the data sources and analytical strategies used in the impact analysis, this chapter presents impact findings for the full report sample. It then presents impact findings for several key subgroups of the report sample.

I. Data and Analysis Issues

A. The Report Sample and Data Sources

The findings presented in this chapter are based on data collected for the 2,176 single-parent cases randomly assigned between May and December 1994. From this sample, 1,087 (50 percent) were randomly assigned to the program group. Program group members were subject to FTP's participation requirements and time limits and were eligible for its services and work incentives. The remaining 1,089 (50 percent) sample members were randomly assigned to the control group and were neither required nor eligible to participate in FTP, but were eligible (and, in some cases, required) to participate in Florida's Project Independence program and could use other services available in the community.

The primary source of data for the findings discussed in this chapter was computerized administrative records kept by the State of Florida. These records provide information about earnings and public assistance obtained by sample members in any county in Florida. The rules for recording information in these records apply equally to all state residents. As a result, the records provide unbiased measures of earnings and public assistance receipt for both program and control groups. However, these data are not available for earnings or public assistance obtained in other states nor for income obtained from other sources, such as financial or in-kind support from other family members or earnings from informal employment such as baby-sitting. Such income will not be measured and will not appear in the data.[1] Following is a more detailed description of the data sources used in the chapter.

1. Employment and earnings data. Earnings reported by employers to the state's Unemployment Insurance (UI) system provide measures of employment and earnings by calendar quarter (January through March, April through June, July through September, and October through December). For the purposes of the impact analysis presented in this chapter, employment and earnings data are available for the period from April 1993 (four quarters prior to the first random assignment) through March 1996 (five quarters following the last random assignment for this sample).[2]

---

[1]MDRC plans to use surveys to obtain information on some of the outcomes not measured in administrative records. The survey results will be presented in later reports.

[2]Employers report earnings information to the state's Unemployment Insurance system on an ongoing basis. As a result, the last quarter of the follow-up period for this report (January through March 1996) may not include a complete record of earnings and employment for the report sample. Accordingly, the analysis may not capture the full effect of FTP on earnings and employment for this quarter.

For some sample members, the calendar quarter in which random assignment took place may have included some earnings secured before the actual date of random assignment; therefore, for all sample members, the quarter in which random assignment occurred (quarter 1 of the follow-up period) is not counted in the analysis of program impacts. This means that five full quarters of post-random assignment UI earnings data (quarters 2 through 6) are available for all members of the report sample. The tables in this chapter present employment and earnings impact findings for individual quarters as well as cumulative impacts over quarters 2 through 6. These measures of cumulative impacts are referred to as the "total five-quarter" impacts.

In addition, the UI data include a minimum of four calendar quarters of data prior to each sample member's date of random assignment. These data are used to increase the precision of the impact estimates by controlling for random differences in background characteristics of the program and control groups.

2. AFDC and Food Stamp data. Monthly AFDC payment records and Food Stamp issuance records were obtained from FLORIDA, the state's computerized database for its public assistance programs.[3] AFDC and Food Stamp data are available for the period from April 1993 (12 months prior to the first random assignment) through July 1996 (19 months following the last random assignment for this sample). For the analysis in this chapter, AFDC and Food Stamp payments were aggregated into calendar quarters to match the intervals covered by the UI earnings data. Six full quarters of post-random assignment AFDC and Food Stamp data (quarters 2 through 7) are available for all members of the report sample. The tables in this chapter present impact findings for individual quarters as well as cumulative impacts on AFDC and Food Stamp payments over quarters 2 through 6 ("total five-quarter" impacts). The additional quarter (quarter 7) available for AFDC and Food Stamp data will be shown in tables and figures where appropriate.[4]

AFDC and Food Stamp data also include a minimum of four calendar quarters of data prior to each sample member's date of random assignment. These data are used to increase the precision of the impact estimates by controlling for random differences in background characteristics of the program and control groups.

B. What Are Impacts?

When analyzing the effects of FTP on individual behavior, it is important to distinguish between measures of program "outcomes" and measures of program "impacts." "Outcomes" refer to the status of sample members during one or more quarters in the follow-up period. For this study, six principal kinds of outcomes have been measured: employment, earnings, AFDC receipt, AFDC payments, Food Stamp receipt, and Food Stamp payments. In the following

---

[3]MDRC identified AFDC payment records and Food Stamp issuance records on the FLORIDA system according to the case number that sample members were assigned at the time of random assignment. Some sample members may have joined other cases or formed new ones later in the follow-up period. The data used in this report do not include the AFDC or Food Stamp payments made to these cases.

[4]In all, up to 27 months of AFDC follow-up data are available for sample members randomly assigned in May, June, July, and August of 1994. These data will be used in Chapter 5, which presents findings on the proportion of the sample that was assigned to a 24-month time limit and had used up most or all of their AFDC eligibility by July 1996.

discussion, individuals are considered to have been employed in a given quarter if they received earnings at any point during that three-month period; similarly, they are classified as having received AFDC (or Food Stamps) in a given quarter if they received AFDC (or Food Stamp) payments during one or more months within that quarter.

An "impact" is the program's effect on an outcome. The average outcome levels for the program group alone provide potentially misleading measures of the impacts of FTP. Previous research has shown that many individuals find work and leave AFDC for reasons not necessarily related to a special intervention like FTP.[5] For example, having passed through a temporary personal or family crisis, some individuals find work on their own and no longer need to depend on AFDC. Others get married and can rely on the income of their spouse for support, and still others begin receiving more support for their children from the noncustodial parent. In order to determine the unique effect of FTP, it is necessary to compare the experiences of a group of individuals who were exposed to FTP with those of a similar group of individuals who were not. In this study, program and control groups were created using random assignment to ensure that there were no systematic differences in the socioeconomic background characteristics of members of the two groups. Because the control group for this study was not required or permitted to participate in FTP, their behavior serves as a benchmark for how the program group would have behaved in the absence of FTP. Impacts, therefore, are estimated by calculating the difference between average outcome levels for members of the program and control groups. Any differences in outcomes between the two groups can be attributed to FTP.[6]

It is also important to recognize that all report sample members are included in calculations of outcome measures. For example, estimates of average earnings per program group member or per control group member include zero dollar amounts for sample members who were not employed during the follow-up period. Similarly, estimates of average AFDC and Food Stamp payments include zero dollar amounts for sample members who did not receive AFDC or Food Stamps during the follow-up period. To the extent that FTP moves people from unemployment to employment, or encourages AFDC or Food Stamp recipients to leave the rolls, excluding the resulting zero values from the program or control group would lead to serious underestimation of program impacts.

A final issue of interpretation concerns the statistical significance of impact estimates. "Statistical significance" is a measure of the degree of certainty that some non-zero impact actually occurred. If an impact estimate is statistically significant, then one may conclude with

---

[5]See Bane and Ellwood, 1994.

[6]The differences between program and control group outcomes have been regression-adjusted to increase the precision of the impact estimates and to control for any differences in the two groups' socioeconomic background characteristics remaining after randomization. The program and control groups in the FTP report sample were similar in most background characteristics, but control group members had slightly higher average earnings during the year prior to random assignment. As a consequence, the regression adjustments resulted in a slight increase in the estimated program/control differences in outcomes. The effects of regression adjustment may be seen as follows: The impacts on average five-quarter earnings without regression adjustment were $240; controlling for pre-random assignment earnings and welfare receipt as well as demographic variables resulted in the $491 reported in Table 4.1. The impacts on five-quarter AFDC payments without regression adjustment were $50; controlling for pre-random assignment earnings and welfare receipt as well as demographic variables resulted in the $52 reported in Table 4.1.

some confidence that the program had a real effect. If an impact estimate is not statistically significant, then the non-zero estimate is more likely to be the product of chance.

Statistical significance does not directly indicate the magnitude or importance of an impact estimate; it indicates only whether any impact occurred. In an evaluation such as this one, numerically small impact estimates are usually not statistically significant. Some numerically large impact estimates may not be statistically significant, however, particularly when sample sizes are small. Smaller sample sizes yield less reliable impact estimates—estimates in which one can have less confidence—than are possible when samples are larger. For the full report sample, sample sizes are relatively large. Later in the chapter, smaller sample sizes are created for purposes of analysis by breaking up the full sample into subgroups. An estimate of a given magnitude that is statistically significant for the full sample will often not be statistically significant for a subgroup.

C. Possible Sources of FTP's Impact on Work and Welfare Receipt

As discussed in Chapter 1, FTP was designed to increase employment and earnings and reduce dependence on welfare by placing time limits on individuals' receipt of AFDC, by providing recipients with a range of services and work incentives, and by requiring that they participate in the program or risk losing a portion of their benefits. In this evaluation, individuals randomly assigned to the program group were required to participate in FTP, while those randomly assigned to the control group were neither required nor eligible to participate in the program. This basic difference between the two groups will determine the impact of FTP.

Chapter 1 highlighted several dimensions of this difference that must be kept in mind when interpreting the findings in this chapter. Before these issues are summarized, it is important to note that the control group in this study was exposed to some services and participation requirements that are similar to those of the program group. A substantial proportion of the control group (those whose youngest child was age three or older) was required to participate in Project Independence, Florida's JOBS program. In addition to the normal dynamics of welfare receipt, therefore, the behavior of the control group was affected, to some extent, by the mandates and services of PI. At the same time, however, FTP provides significant enhancements to the typical services, participation requirements, and earnings disregards available to control group members through PI or other programs in the community.

There are three basic features of FTP that are designed to increase employment and decrease welfare dependence: required participation in education and/or employment services; AFDC time limits; and enhanced earnings disregards. First, FTP's enhanced case management, participation requirements, and service availability may increase employment and earnings in any of a number of ways: by helping people find job openings they would not otherwise seek or have access to; by helping them obtain employment-related skills they would not otherwise obtain; or by providing support services that enable them to find and keep jobs they would otherwise lose. FTP may reduce AFDC receipt and payments by increasing employment or by making AFDC relatively unattractive by requiring participation in job search, education, and training activities in exchange for benefits. AFDC payments may also be reduced if recipients are sanctioned (that is, have their AFDC grant reduced because they fail to fulfill the FTP

participation requirements). At the same time, however, the opportunity to take advantage of these enhanced services may induce FTP participants to stay on welfare longer while they complete education and training activities.

Second, the time limit may induce AFDC recipients to leave welfare in order to "bank" their allotted months of AFDC for times of greater crisis or emergency. The time limit may also prompt individuals to enter employment more quickly. The follow-up period for the impact analysis is only 15 months, which means that it will not be possible to observe the full range of changes in the behavior of program group members (relative to the control group) that may be caused by the expiration of AFDC benefits at 24 or 36 months.

Finally, FTP's rules concerning earnings disregards allow AFDC recipients to retain a higher proportion of their earnings from work before they become ineligible for AFDC. By expanding the opportunity for people to combine work and welfare, FTP aims to increase family income, promote attachment to the labor force, and increase employment stability. In the short term, this policy may enable individuals to remain on AFDC longer than they might have otherwise. In the long term, however, the additional work incentive and added employment stability are intended to reduce welfare dependence.

In summary, therefore, the combination of FTP's features may change employment and welfare dynamics in stages. At this point in the evaluation, however, it is premature to draw any firm conclusions about the effects of FTP's AFDC time-limit policy or the longer-term effects of its enhanced services. Longer-term follow-up data will provide the opportunity to learn more about the full impact of the program.

D. The Behavior of the Control Group: The Benchmark for Measuring Impacts

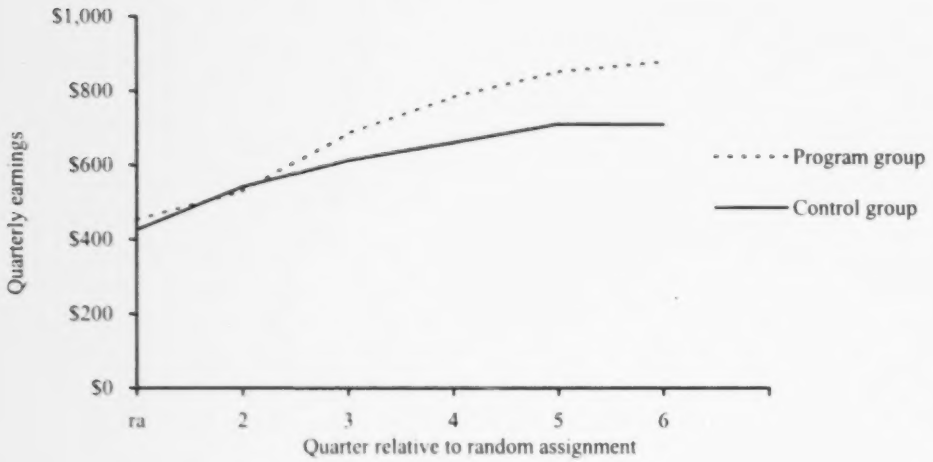
As noted above, the control group's outcomes—employment, earnings, AFDC and Food Stamp receipt, and AFDC and Food Stamp payments—represent benchmarks against which to compare the effect of FTP on the program group. For example, the solid curve in Figure 4.1 shows the average earnings of the control group during each of six quarters: the quarter of random assignment (quarter 1) and the five quarters following random assignment (quarters 2 through 6). The figure shows that control group members' earnings were lowest in the quarter of random assignment and then increased gradually over the follow-up period. By the last quarter of follow-up (quarter 6), control group members earned an average of $708, approximately two-thirds higher than their average earnings of $425 in the quarter of random assignment. In all, control group members earned an average of $3,230 during the five-quarter follow-up period.

The solid curves in Figures 4.2 and 4.3 show the average AFDC and Food Stamp payments, respectively, for control group members during each of seven quarters: the quarter of random assignment (quarter 1) and the six quarters following random assignment (quarters 2 through 7). The figures show similar patterns of average payments for both AFDC and Food Stamps. Average payment amounts increased gradually until the quarter following random assignment (quarter 2) and then began to decline through the follow-up period. In all, control group members received an average of $2,363 in AFDC payments during the five-quarter follow-up period and an average of $2,767 in Food Stamp payments.

Figure 4.1

Florida's Family Transition Program
Escambia County

Average Quarterly Earnings of the Program and Control Groups



These benchmarks of earnings and public assistance payments for the control group represent the best estimate of the earnings and public assistance payments that the program group would have received had they not been subject to FTP's services, incentives, and time limit. The difference in earnings, AFDC payments, and Food Stamp payments between the control group and the program group (represented by the dashed curves in Figures 4.1, 4.2, and 4.3) represent the impact of FTP on these outcomes. The remainder of this chapter focuses on whether FTP produced increases in earnings and employment and reductions in public assistance receipt and payments over and above the changes that would have occurred in the absence of the program.

II. FTP's Impacts for the Full Report Sample

A. Impacts on Employment and Earnings

The first section of Table 4.1 presents findings regarding FTP's impact on the percentage of program group members who were employed at some time during the five-quarter follow-up period. It shows that just over 66 percent of the program group was employed during the follow-up period, compared with nearly 62 percent of the control group. This 4-percentage-point difference is the impact of FTP and represents nearly a 7 percent increase in employment for program group members over and above the control group average. The second section of Table 4.1 shows that FTP increased total five-quarter earnings of the program group by an average of $491 over the control group (a 15 percent increase over the control group average).

Figure 4.2

Florida's Family Transition Program
Escambia County

Average Quarterly AFDC Payments to the Program and Control Groups

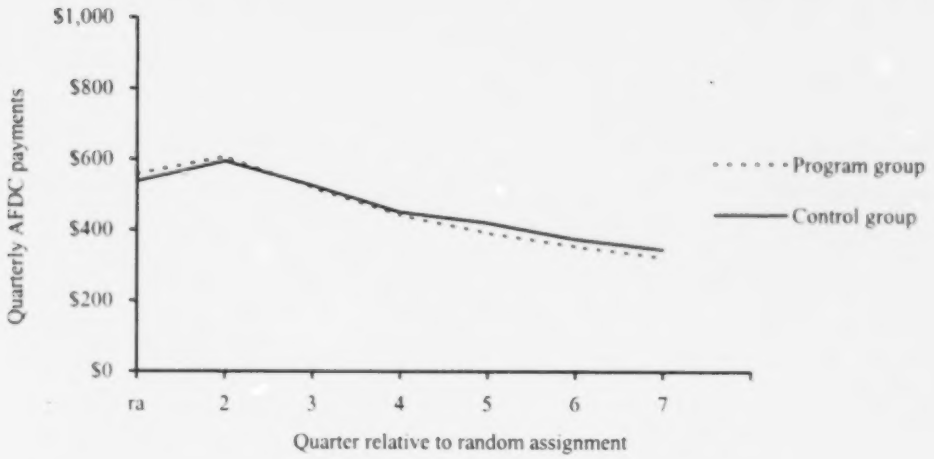


Figure 4.3

Florida's Family Transition Program
Escambia County

Average Quarterly Value of Food Stamps Received by the Program and Control Groups

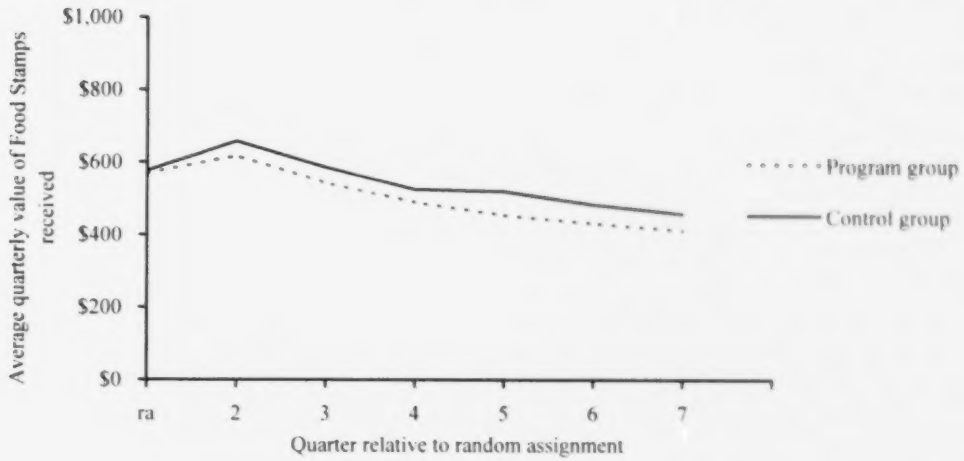


Table 4.1

Florida's Family Transition Program
Escambia County

15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Ever employed (%)				
Quarters 2-6	66.1	61.9	4.2 **	6.8
Quarter 6	45.7	39.6	6.1 ***	15.4
Average total earnings ($)				
Quarters 2-6	3,721	3,230	491 ***	15.2
Quarter 6	877	708	169 ***	23.9
Ever received any AFDC payments (%)				
Quarters 2-6	81.4	81.7	-0.3	-0.4
Quarter 6	50.3	49.4	0.9	1.9
Quarter 7	45.9	46.7	-0.8	-1.7
Average number of months receiving AFDC in quarters 2-6	8.5	8.3	0.2	2.1
Number of months receiving AFDC payments in quarters 2-6 (%)				
0	18.6	18.3	0.3	1.9
1-6	21.6	23.5	-1.9	-6.4
7-12	20.9	20.8	0.0	0.2
13-15	38.9	37.4	1.5	4.1
Average total AFDC payments received ($)				
Quarters 2-6	2,311	2,363	-52	-2.2
Quarter 6	353	374	-21	-5.6
Quarter 7	322	345	-23	-6.7
Ever received any Food Stamps (%)				
Quarters 2-6	89.1	89.3	-0.2	-0.2
Quarter 6	63.9	64.9	-1.0	-1.6
Quarter 7	60.3	61.4	-1.1	-1.9
Average total value of Food Stamps received ($)				
Quarters 2-6	2,531	2,767	-235 ***	-8.5
Quarter 6	431	483	-51 ***	-10.7
Quarter 7	412	457	-46 ***	-10.0
Sample size (total = 2,176)	1,087	1,089		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings, AFDC payments, or Food Stamp receipt from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Figure 4.1 shows that FTP's impacts on earnings were largest in the last three quarters of the follow-up period (quarters 4 through 6) and appeared to be increasing slightly at the end of the follow-up period. As shown in Table 4.1, by the end of the follow-up period (quarter 6), the employment rate for the program group was approximately 6 percentage points higher than the employment rate for the control group (a 15 percent increase). In addition, quarter 6 earnings for the program group were an average of $169 higher than for the control group (a 24 percent increase). Additional follow-up information is needed to determine whether this trend continues through the second year of follow-up and beyond.

FTP's overall impact on earnings appears to have been generated by an increase in how much program group members earned when they were employed as well as by an increase in their employment rates. This explanation is supported by the finding that employed program group members earned an average of $2,164 in each quarter they worked, while employed control group members earned an average of $2,037 in each quarter they worked (see Appendix Table C.1). Thus, not only were program group members more likely to have been employed (particularly during the last three quarters of follow-up), but they also earned an average of $127 more during each quarter they worked than did their employed control group counterparts. Further information is needed to determine whether this occurred because program group members worked more hours in each quarter or because they received higher wages per hour compared to employed control group members.

Table 4.1 also includes sobering findings about the unemployment patterns of program group members. It indicates that approximately 54 percent of the program group was not employed in the last quarter of the follow-up period (quarter 6) and that 34 percent of the program group had not worked at all during the follow-up period (quarters 2 through 6). This may result, in part, from the fact that some FTP participants were engaged in longer-term education or training activities and thus were postponing their entry into employment. A longer follow-up period is needed to determine whether rates of employment for FTP participants increase sufficiently to prevent large numbers of individuals from reaching the AFDC time limit without obtaining a job.

B. Impacts on AFDC Receipt and Payments

Table 4.1 indicates that FTP had virtually no cumulative effect on AFDC receipt and payments over the follow-up period. Members of the two groups were equally likely to have received AFDC during the follow-up period—an indication that, on balance, FTP did not make people less or more likely to complete their AFDC applications. In fact, program group members were about as likely as control group members to be receiving AFDC during each quarter of follow-up. Approximately 46 percent of the program group was receiving AFDC in quarter 7, and FTP had not produced any significant increase or reduction in the AFDC rolls. Also, within the first 15 months of follow-up, both the program and the control groups had accumulated an average of between eight and nine months of AFDC receipt. In all, 39 percent of those in the program group and 37 percent of those in the control group had accumulated 13 to 15 months of AFDC receipt within this 15-month follow-up period. Figure 4.2 indicates,

however, that FTP may have begun to have a slight effect on decreasing average AFDC payments during the last three quarters of follow-up.

These findings can be viewed as both encouraging and sobering. As noted earlier, there was reason to believe that FTP could actually have *increased* AFDC receipt in the short term because of the enhanced opportunities that participants had to engage in education and training activities and to work while they continued to receive AFDC. The fact that this did not occur indicates that FTP was able to increase service receipt and employment without incurring additional costs associated with more prolonged AFDC receipt (compared with that of the control group). At the same time, unless FTP begins to significantly reduce dependence on AFDC in the second and third years of follow-up, a substantial proportion of participants will eventually reach the time-limit "cliff," using up their AFDC eligibility and losing their benefits.

C. Impacts on Food Stamp Receipt and Payments

The bottom two sections of Table 4.1 present findings for FTP's impact on Food Stamp receipt rates and payment amounts over the follow-up period. They show that, while FTP did not have an effect on Food Stamp receipt rates, the program did reduce the amount of Food Stamp payments received by program group members by an average total of $235 over quarters 2 through 6 (an 8.5 percent reduction compared to the control group average of $2,767). Figure 4.3 indicates that the impact of FTP on reducing Food Stamp payments was generally consistent throughout the follow-up period. Interestingly, further analysis indicates that program and control group members were about equally likely to receive Food Stamps in each quarter of the follow-up period (see Appendix Figure C.3). The reduction in Food Stamp payments, therefore, occurred because program group members received less in average Food Stamp payments per month than control group members (see Appendix Table C.1).

These results occurred, in large part, because both AFDC and earnings are counted as income in determining Food Stamp benefit amounts. As discussed below, FTP has increased the rate at which program group members enter employment and remain eligible for AFDC by allowing them to keep a higher proportion of their income from work. This increase in total income from earnings and AFDC has had the effect of decreasing the amount of Food Stamp payments they receive.

D. Impacts on Combining Employment and AFDC Receipt

Table 4.2 displays the impacts on sample members' combined employment and AFDC status over the five-quarter follow-up period. To create the measures in this table, sample members were classified into one of four mutually exclusive categories defined by their employment and AFDC receipt status in each quarter of follow-up. Impact estimates are the differences between the percentage of program group members in each category and the percentage of control group members in each category.

The first two sections of Table 4.2 show that the primary effect of FTP thus far has been to move individuals from the "not employed and received AFDC" category to the "employed and received AFDC" category. The top section shows that FTP reduced the percentage of program

Table 4.2

Florida's Family Transition Program
Escambia County

15-Month Impacts on Combined Employment and AFDC Receipt Status

Outcome	Program Group (%)	Control Group (%)	Difference (Impact)	Percentage Change
Not employed and received AFDC				
Quarter 2	51.8	51.4	0.4	0.8
Quarter 3	43.9	46.6	-2.7	-5.8
Quarter 4	36.0	40.3	-4.3 **	-10.6
Quarter 5	32.0	36.3	-4.3 **	-11.8
Quarter 6	28.4	35.4	-7.0 ***	-19.7
Average rate (quarters 2-6)	38.4	42.0	-3.6 **	-8.5
Employed and received AFDC				
Quarter 2	25.9	25.2	0.7	2.8
Quarter 3	25.7	20.8	5.0 ***	23.9
Quarter 4	23.6	18.2	5.4 ***	29.4
Quarter 5	23.2	17.7	5.5 ***	31.2
Quarter 6	21.9	14.0	7.9 ***	56.2
Average rate (quarters 2-6)	24.1	19.2	4.9 ***	25.5
Employed and did not receive AFDC				
Quarter 2	11.6	12.5	-0.9	-7.3
Quarter 3	15.3	19.3	-4.0 ***	-20.9
Quarter 4	21.2	21.7	-0.4	-2.0
Quarter 5	22.7	23.2	-0.6	-2.4
Quarter 6	23.8	25.6	-1.8	-6.9
Average rate (quarters 2-6)	18.9	20.5	-1.5	-7.5
Not employed and did not receive AFDC				
Quarter 2	10.7	10.9	-0.2	-2.0
Quarter 3	15.1	13.3	1.8	13.3
Quarter 4	19.1	19.8	-0.7	-3.4
Quarter 5	22.1	22.8	-0.7	-2.9
Quarter 6	25.9	25.0	0.9	3.4
Average rate (quarters 2-6)	18.6	18.4	0.2	1.2
Sample size (total = 2,176)	1,087	1,089		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records and AFDC records.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings or AFDC payments from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

group members in the "not employed and received AFDC" category by an average of 3.7 percentage points over the five-quarter follow-up period. By the last quarter of follow-up (quarter 6), FTP had reduced the percentage of program group members in that category by 7.0 percentage points (a 19.7 percent reduction from the control group level).

The second section of Table 4.2 indicates that FTP increased the percentage of program group members in the "employed and received AFDC" category by an average of 4.9 percentage points over the five-quarter follow-up period. By the last quarter of follow-up (quarter 6), FTP had increased the percentage of program group members in that category by 7.9 percentage points (a 56.2 percent increase over the control group). During this quarter, nearly half (48 percent) of the employed program group members were also receiving AFDC, compared to 35 percent of employed control group members. This suggests that the primary effect of FTP so far appears to be an increase in the rate at which program group members combine work and welfare.

This effect may be due, in large part, to FTP's earnings disregards, which allow participants to remain eligible for AFDC while they work. Consider the example, presented in Figure 1.1, of an individual whose net earnings are $556 per month.[7] Under the FTP earnings disregard formula, this individual would still be eligible for an AFDC grant of $186 per month, while under the traditional AFDC formula (to which the control group is subject), this person would no longer be eligible for AFDC. This more generous eligibility criterion provides a greater opportunity for FTP participants to increase their overall income by combining AFDC with earnings from work. It is also important to keep in mind that employed AFDC recipients generally receive lower AFDC payment amounts, which still count toward their accumulation of payments toward the time limit.

With a longer follow-up period, it will be important to examine whether FTP has a positive impact on the percentages in the third section of Table 4.2 (the "employed and did not receive AFDC" category). This would signify that the program is inducing more people to substitute work for welfare. Also, since FTP places a limit on how long participants may receive AFDC, it will be important to determine whether those who leave AFDC rely on earnings or some other source of support.

E. Impacts on Income from Earnings, AFDC, and Food Stamps

Table 4.3 shows that in the last quarter of follow-up (quarter 6), total income from earnings, AFDC payments, and Food Stamp payments averaged $1,564 for control group members. Program group members averaged $97 more, representing a 6 percent increase in total average income from these sources relative to the control group. As noted earlier, this is primarily a result of the increase in the rate at which program group members combined earnings and AFDC (a 56 percent increase over the control group level). Note that this increase in total income from these three sources occurred in spite of the fact that the program group received less in Food Stamp payments, on average, than the control group did. Thus, not only did FTP increase total income, but a higher percentage of that income came from earnings and AFDC

[7]Note that net earnings are based on the sum of parents' earnings from work and the Earned Income Tax Credit (EITC), minus any federal income taxes. In this example, the individual's gross monthly earnings are $433.

Table 4.3

Florida's Family Transition Program
Escambia County

Impacts on Income from Earnings, AFDC, and Food Stamps and on Income Sources for the Full Sample in Quarter 6

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Average total value of earnings, AFDC, and Food Stamps in quarter 6 ($)	1,661	1,564	97 *	6.2
Income sources (%)				
AFDC without earnings	28.4	35.4	-7.0 ***	-19.7
Earnings and AFDC	21.9	14.0	7.9 ***	56.2
Earnings without AFDC	23.8	25.6	-1.8	-6.9
No AFDC or earnings	25.9	25.0	0.9	3.4
Food Stamps without AFDC or earnings	6.3	5.6	0.6	11.5
No Food Stamps, AFDC, or earnings	19.6	19.4	0.2	1.1
Sample size (total = 2,176)	1,087	1,089		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

payments.[8] Note, however, that Food Stamp payments may actually increase in the long term as FTP participants reach the time limit and are no longer eligible for AFDC. This loss of income may be offset, in part, by higher Food Stamp payments.

Table 4.3 also shows that between 19 and 20 percent of both research groups had no income from earnings, AFDC payments, or Food Stamp payments. These individuals may have obtained income from other members of the household or from informal employment, or they may have moved to another state.

III. Subgroup Impacts

There are several important subgroups of the report sample that are subject to different aspects of the FTP policies or, in the absence of FTP, may or may not be subject to Project Independence participation requirements. In particular, some FTP participants are subject to a 24-month AFDC time limit, and others are subject to a 36-month AFDC time limit. Also, some AFDG applicants and recipients are required to participated in Project Independence, even if they are not in FTP, while others who are not required to participate in PI may volunteer to do so. There are also subgroups of the report sample that face different barriers to employment and self-sufficiency.

Three statistical issues must be considered when interpreting subgroup impact findings such as those discussed in this section. First, as noted earlier, the statistical significance of impact estimates is sensitive to sample size. Impact estimates of a given magnitude are less likely to be statistically significant when sample sizes are small. For example, a $100 impact on earnings that is statistically significant for the full report sample may not be statistically significant for a subgroup. The smaller sample sizes also mean that impact estimates are less precise. The smaller the sample, the more likely the true impact is to be somewhat larger or smaller than the estimate of that impact.

Second, some of the demographic data that define the subgroups in this study are unavailable for portions of the sample. For example, just over 10 percent of the sample could not be classified by the age of their youngest child. Sample members who could not be placed in one or another category of a subgroup because their data about that subgroup were missing were not included in the analysis of impacts for that subgroup. One consequence is to reduce samples sizes somewhat. Another is that the weighted average of the impacts for a particular set of subgroups is not generally equal to the full-sample impacts presented earlier in this chapter.

Third, looking at subgroup impacts often requires not just an estimate of impact but also an assessment of the magnitude of *differences* in impacts across subgroups. Tests of statistical significance were performed to determine the likelihood that the differences in impacts across subgroups were due to chance. Whenever such differences are statistically significant at the 10 percent level or lower, confidence is increased that the underlying impacts for the subgroups

[8]Since most of this increase in income was due to increased earnings from work, program group members were able to obtain a greater benefit from the EITC, which allows low-income working families to receive a refundable tax credit that was worth up to $3,556 for a family of three in 1996.

involved are distinct and not due to chance. In this report, none of the differences in impacts across subgroups were statistically significant.

Finally, the subgroup impact findings presented here do not take into account impact differences that may be associated with other background characteristics that may differentiate the subgroups. For example, women with preschool children in this sample are also more likely to have limited work histories. Thus, any difference in impact estimates for subgroups defined by the age of the youngest child may result from differences in employment as well as, or instead of, differences in child care needs. Statistical techniques are available to generate impact estimates that account for other characteristics; these techniques may be applied in later reports.

A. Subgroups Defined by Characteristics That Determine the Type of AFDC Time Limit

FTP guidelines specify that all AFDC applicants and recipients are subject to a 24-month time limit (that is, AFDC benefits may not be received for more than 24 months in any 60-month period) unless they face particularly severe barriers to employment. Those who meet the criteria for the employment barriers are subject to a 36-month time limit (that is, AFDC benefits may not be received for more than 36 months in any 72-month period). Those who can be assigned a 36-month time limit include:

- Individuals who have received AFDC for 36 of the past 60 months prior to assignment to FTP; *or*
- Individuals under 24 years of age who do not have a high school diploma or GED certificate and are not enrolled in high school or a GED program; *or*
- Individuals under 24 years of age who have little or no work history (defined as having worked three months or fewer in the past 12 months).

These criteria are described in the *Family Transition Program Instructional Handbook*.[9] The state legislation establishing FTP, however, specifies that individuals may be eligible for a 36-month time limit if they meet either the first criterion or *both* the other two criteria. Field research findings indicated that sometime in 1995, FTP case workers were asked to apply the more restrictive criteria listed in the state legislation.

The Background Information Form (BIF), which was completed for each member of the report sample just prior to random assignment, included questions that directly concerned these criteria. Responses to these questions were used to construct variables indicating whether sample members would have been eligible for a 36-month time limit or would have retained the 24-month time limit. In all, approximately 40 percent of the report sample had background characteristics that would make them eligible for the 36-month time limit under these criteria. This is consistent with the 44 percent of FTP participants who were assigned to a 36-month time limit, according to the FTP Case Management System, which includes information about the

[9]Florida Department of Health and Rehabilitative Services, August 9, 1994, p. 3-2.

actual time limit to which FTP participants are subject.[10] Because the definition of the 24-month and 36-month time-limit subgroups is based on pre-random assignment baseline data, the definitions apply equally to both program and control group members.

Table 4.4 presents impact findings for subgroups defined by the type of AFDC time limit to which they would most likely be subject on the basis of prior AFDC receipt, educational attainment, and employment. The first page of the table presents the impact findings for sample members who were imputed to have a 24-month time limit, and the second page presents the impact findings for those imputed to have a 36-month time limit. In summary, there are only modest (and not statistically significant) differences in the impacts for the two time-limit subgroups through the five-quarter follow-up period.

For example, the first page of Table 4.4 indicates that, for the subgroup imputed to have a 24-month time limit, FTP increased the employment rates of program group members by a statistically significant 4.1 percentage points and increased earnings by a not statistically significant average of $452 during the five-quarter follow-up period. The second page of Table 4.4 shows that employment and earnings impacts were small and not statistically significant for those imputed to have a 36-month time limit. Neither subgroup experienced statistically significant impacts on AFDC receipt or payments. FTP reduced Food Stamp payments over the five-quarter follow-up period by a statistically significant $279 for those imputed to have a 24-month time limit, but it did not produce statistically significant impacts on Food Stamp payments for those imputed to have a 36-month time limit.

There is reason to believe that the differences in impacts between these two subgroups may increase with a longer follow-up period and a larger sample. By definition, those assigned to a 36-month time limit face more significant barriers to employment (for example, limited education or work experience or a longer history of welfare dependence). As a result, they are more likely to have difficulty finding work on their own and to need education and training services to obtain skills and credentials required for employment. This is reflected in the difference in outcome levels for the control groups. For example, Table 4.4 shows that employment rates and earnings levels of control group members imputed to have a 36-month

[10]MDRC obtained data from the FTP Case Management System (CMS) about the actual time limit assigned to each FTP participant. In all, 1,076 (99 percent) of the 1,087 program group members in the full report sample were listed in the FTP CMS. For 71 percent of these program group members, the actual time limit reported in the FTP CMS was the same as the imputed time-limit that was calculated using background characteristics from the BIF. The differences for the remaining sample members were likely to be due to two factors. First, the actual time-limit indicator and the imputed time-limit variable were drawn from two different data sources. As indicated in Chapter 1, the information on the BIF (which was used to determine the imputed time limit) was self-reported by individual sample members at the time of random assignment. The actual time-limit indicator was determined from a combination of information provided by administrative records and information provided by the participant during an interview with an FTP caseworker. For example, during the BIF interview, some FTP participants may not have recalled accurately how many months of AFDC they had received in the past 60 months. When determining exemptions to the 24-month time limit, FTP case managers were able to obtain this information directly from the FLORIDA system, which issues and accounts for AFDC payments. Second, there is some evidence from interviews with FTP caseworkers that there may have been some confusion, particularly early in FTP's implementation, about how to apply the time-limit criteria. For example, some caseworkers may have assigned individuals to a 36-month time limit only if they had two of the three employment barriers listed above (as specified in the state legislation), while others may have used the criteria outlined in the FTP operations manual, which assigned individuals to a 36-month time limit if they had any one of the three employment barriers.

Table 4.4

Florida's Family Transition Program
Escambia County

15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Subgroups Defined by Their AFDC Time Limit

Subgroup and Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Sample members with a 24-month time limit (imputed)				
Ever employed (%)				
Quarters 2-6	68.5	64.4	4.1 *	6.4
Quarter 6	46.8	42.8	3.9	9.2
Average total earnings ($)				
Quarters 2-6	4,419	3,967	452	11.4
Quarter 6	1,032	848	184 **	21.7
Ever received any AFDC payments (%)				
Quarters 2-6	78.1	77.2	0.9	1.2
Quarter 6	41.2	41.2	0.0	-0.1
Quarter 7	36.8	38.7	-1.9	-5.0
Average number of months receiving AFDC in quarters 2-6	7.5	7.3	0.2	2.6
Number of months receiving AFDC payments for quarters 2-6 (%)				
0	21.9	22.8	-0.9	-4.0
1-6	25.6	26.9	-1.2	-4.8
7-12	23.0	20.7	2.3	11.1
13-15	29.5	29.6	-0.1	-0.3
Average total AFDC payments received ($)				
Quarters 2-6	1,938	2,005	-67	-3.4
Quarter 6	269	302	-34	-11.1
Quarter 7	243	268	-25	-9.3
Ever received any Food Stamps (%)				
Quarters 2-6	86.9	86.8	0.1	0.1
Quarter 6	56.2	57.6	-1.4	-2.4
Quarter 7	50.4	54.0	-3.6	-6.7
Average total value of Food Stamps received ($)				
Quarters 2-6	2,239	2,518	-279 ***	-11.1
Quarter 6	356	423	-68 ***	-16.0
Quarter 7	329	387	-58 ***	-15.0
Sample size (total = 1,233)	606	627		

(continued)

Table 4.4 (continued)

Subgroup and Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Sample members with a 36-month time limit (imputed)				
Ever employed (%)				
Quarters 2-6	62.3	59.3	2.9	5.0
Quarter 6	44.5	36.2	8.3 ***	23.0
Average total earnings ($)				
Quarters 2-6	2,583	2,303	280	12.2
Quarter 6	631	532	99	18.6
Ever received any AFDC payments (%)				
Quarters 2-6	87.8	88.7	-0.9	-1.0
Quarter 6	64.0	61.5	2.4	4.0
Quarter 7	59.7	58.5	1.1	1.9
Average number of months receiving AFDC in quarters 2-6	10.1	10.0	0.2	1.8
Number of months receiving AFDC payments for quarters 2-6 (%)				
0	12.2	11.3	0.9	8.0
1-6	16.3	18.3	-1.9	-10.9
7-12	19.0	21.4	-2.5	-11.5
13-15	52.5	49.0	3.5	7.2
Average total AFDC payments received ($)				
Quarters 2-6	2,876	2,889	-13	-0.5
Quarter 6	475	476	0	-0.1
Quarter 7	438	457	-19	-4.1
Ever received any Food Stamps (%)				
Quarters 2-6	93.6	93.6	0.0	0.0
Quarter 6	76.1	76.2	-0.1	-0.2
Quarter 7	74.7	73.3	1.4	1.9
Average total value of Food Stamps received ($)				
Quarters 2-6	2,997	3,160	-163	-5.2
Quarter 6	545	573	-28	-4.8
Quarter 7	535	565	-29	-5.2
Sample size (total = 873)	445	428		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC records, and Food Stamp records.

NOTES: Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were under 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

(continued)

Table 4.4 (continued)

Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings, AFDC payments, or Food Stamp payments from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. Differences in impacts on earnings, AFDC payments, and Food Stamp receipt between subgroups were not statistically significant at the 10 percent level or lower.

time limit were much lower than for control group members imputed to have a 24-month time limit. AFDC and Food Stamp receipt rates and payments were higher for those with a 36-month time limit. Thus, impacts on employment and welfare receipt for those with a 36-month time limit may take longer to appear as those in FTP complete education and training activities before actively looking for work. These impacts may also be postponed because those with a 36-month time limit have used a smaller proportion of their allotted months of AFDC receipt and face less urgency to leave education and training services to find work.

Those imputed to have a 24-month time limit have already used up a relatively high proportion, on average, of their allotted months of AFDC during the five-quarter follow-up period. For example, nearly 30 percent of those with a 24-month time limit had used up between 12 and 15 months of AFDC eligibility during the first 15 months of follow-up. Individuals in this situation have used over half of their allotted AFDC payments and may be more motivated to find work.

B. Subgroups Defined by the Age of the Youngest Child

Another important set of subgroups consists of those defined by the age of the youngest child in the household. This is important because control group members with children under the age of three are not required to participate in Project Independence. Also, given their child care needs, those with very young children are less likely to volunteer to participate in employment and training activities than are their counterparts whose children are older. This observation suggests that the control group members with children under age three will represent a more vivid contrast with their program group counterparts than is likely to be the case for sample members whose children are age three or older. Those whose youngest child was age three or older, regardless of their FTP status, were required to participate in PI. However, PI services for FTP participants were reported to have received more funding, and the participation requirements seemed to be more strictly enforced. FTP participants with young children are also subject to the AFDC time limit and earned income disregard, while their control group counterparts are not.

Table 4.5 presents impacts for subgroups defined by the age of the youngest child in the household. The first page of the table presents impact findings for sample members whose youngest child was less than three years old at random assignment, and the second page presents impact findings for sample members whose youngest child was age three or older. In brief, while there were some modest differences in impacts between the two subgroups, these differences were not statistically significant. This means that differences in impacts between the two subgroups may be due to chance.

The first page of the table indicates that FTP's impacts on employment and earnings were concentrated in the subgroup with children under the age of three. Here, FTP increased the employment rates of program group members by 6 percentage points and increased earnings by an average of $598 over the five-quarter follow-up period. By contrast, employment and earnings impacts were smaller and not statistically significant for those whose youngest child was age three or older. However, by the last quarter of follow-up (quarter 6), FTP did have an impact on employment and earnings for those whose youngest child was age three or older.

Table 4.5

Florida's Family Transition Program
Escambia County

15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received, by Subgroups Defined by the Age of the Youngest Child

Subgroup and Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Sample members whose youngest child was less than 3 years of age at random assignment				
Ever employed (%)				
Quarters 2-6	66.4	60.4	6.0 *	10.0
Quarter 6	46.3	38.3	7.9 **	20.7
Average total earnings ($)				
Quarters 2-6	3,367	2,769	598 **	21.6
Quarter 6	755	614	142 *	23.1
Ever received any AFDC payments (%)				
Quarters 2-6	83.6	83.8	-0.3	-0.3
Quarter 6	55.5	53.8	1.7	3.2
Quarter 7	50.4	51.5	-1.1	-2.2
Average number of months receiving AFDC in quarters 2-6	8.9	8.8	0.1	0.9
Number of months receiving AFDC payments for quarters 2-6 (%)				
0	16.4	16.2	0.3	1.8
1-6	21.5	19.7	1.8	9.2
7-12	19.3	24.5	-5.2 *	-21.2
13-15	42.7	39.6	3.1	7.7
Average total AFDC payments received ($)				
Quarters 2-6	2,491	2,601	-110	-4.2
Quarter 6	404	428	-24	-5.5
Quarter 7	364	403	-39	-9.8
Ever received any Food Stamps (%)				
Quarters 2-6	90.9	91.1	-0.1	-0.2
Quarter 6	69.7	70.8	-1.2	-1.6
Quarter 7	65.7	67.5	-1.8	-2.7
Average total value of Food Stamps received ($)				
Quarters 2-6	2,792	2,984	-192 *	-6.4
Quarter 6	505	548	-43	-7.8
Quarter 7	477	532	-56 **	-10.5
Sample size (total = 877)	438	439		

(continued)

Table 4.5 (continued)

Subgroup and Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Sample members whose youngest child was less than 3 years of age at random assignment				
Ever employed (%)				
Quarters 2-6	66.3	64.1	2.2	3.4
Quarter 6	45.9	41.4	4.5 *	11.0
Average total earnings ($)				
Quarters 2-6	4,009	3,659	350	9.6
Quarter 6	977	799	178 **	22.2
Ever received any AFDC payments (%)				
Quarters 2-6	80.6	80.4	0.2	0.2
Quarter 6	46.5	46.0	0.5	1.1
Quarter 7	42.3	43.1	-0.8	-1.9
Average number of months receiving AFDC in quarters 2-6	8.2	8.0	0.2	2.7
Number of months receiving AFDC payments for quarters 2-6 (%)				
0	19.4	19.6	-0.2	-0.9
1-6	22.5	26.2	-3.7	-14.1
7-12	22.0	18.4	3.6	19.6
13-15	36.0	35.8	0.2	0.7
Average total AFDC payments received ($)				
Quarters 2-6	2,176	2,194	-17	-0.8
Quarter 6	312	332	-20	-5.9
Quarter 7	289	303	-15	-4.9
Ever received any Food Stamps (%)				
Quarters 2-6	88.4	88.2	0.1	0.2
Quarter 6	59.6	60.5	-0.9	-1.5
Quarter 7	55.8	57.4	-1.6	-2.8
Average total value of Food Stamps received ($)				
Quarters 2-6	2,339	2,615	-277 ***	-10.6
Quarter 6	371	435	-64 ***	-14.7
Quarter 7	359	407	-48 **	-11.7
Sample size (total = 1,198)	597	601		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings, AFDC payments, or Food Stamp receipt from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. Differences in impacts on earnings, AFDC payments, and Food Stamp receipt between subgroups were not statistically significant at the 10 percent level or lower.

Neither subgroup experienced statistically significant impacts on AFDC receipt or payments, although FTP reduced Food Stamp payments for both groups. Food Stamp payment impacts were slightly larger for those whose youngest child was age three or older.

It is important to keep in mind that differences that may emerge as more follow-up data become available may be due to differences in the experiences of the control groups. This can be seen, for example, in the fact that while the employment rates over quarters 2 through 6 for program group members from the two subgroups are virtually the same, the employment rate for control group members with children under age three is nearly 4 percentage points lower than the employment rate for those whose youngest child was three or older. There is a more dramatic difference in the earnings levels of control group members from the two subgroups, although program group members with children under age three also have somewhat lower earnings than program group members whose youngest child was age three or older.

C. Other Subgroups

Finally, Table 4.6 presents impact results for subgroups of the report sample defined by prior AFDC receipt and race/ethnicity. As discussed earlier, it is important to note that impact differences across the subgroups defined by these characteristics do not account for impact differences associated with other demographic and background characteristics. For example, African-American sample members were less likely than their white counterparts to have a high school diploma or recent employment. Thus, any impact differences among race/ethnicity subgroups may be due to differences in educational attainment or employment history as well as, or instead of, racial discrimination. This more detailed statistical analysis will be pursued in future reports.

The top panel of Table 4.6 displays the impact findings for three subgroups defined by sample members' AFDC history prior to random assignment: those who were first-time applicants; those with AFDC receipt totaling less than two years on the person's own or spouse's case (including ongoing recipients and those reapplying for AFDC after having been off the rolls); and those with AFDC receipt totaling two years or more on the person's own or spouse's case (including ongoing recipients and those reapplying for AFDC after having been off the rolls). The top panel indicates that only the group of "short-term" applicants and recipients (those with less than two years on AFDC) experienced a statistically significant positive impact on earnings. None of the welfare history subgroups experienced a statistically significant impact on AFDC payments.

The bottom panel of Table 4.6 presents the impact findings defined by sample members' race/ethnicity. Across groups, earnings impacts were largest among white sample members and appeared to be increasing at a faster rate at the end of the follow-up period for them than for African-American sample members. None of the groups experienced statistically significant reductions in AFDC payments.

None of the differences in impacts among the subgroups presented in Table 4.6 was statistically significant. Further analysis will be needed to determine the extent to which differences that may emerge with larger samples and more follow-up data are due to sample members' AFDC status or race/ethnicity as such, or to other characteristics that may be associated with those characteristics (such as employment history and education).

Table 4.6

Florida's Family Transition Program
Escambia County

Impacts on Earnings and AFDC Payments, by Subgroups Defined by Their AFDC History and Race/Ethnicity

Characteristic and Subgroup	Average Total Earnings				Average Total AFDC Payments			
	Program Group ($)	Control Group ($)	Difference (Impact)	Percentage Change	Program Group ($)	Control Group ($)	Difference (Impact)	Percentage Change
AFDC history								
First-time applicant								
(Sample size = 265)								
Quarters 2-6	5,080	4,958	121	2.5	1,075	1,177	-102	-8.7
Quarter 6	1,257	1,014	243	24.0	145	167	-22	-13.2
Less than two years[a]								
(Sample size = 766)								
Quarters 2-6	4,586	3,649	937 ***	25.7	1,759	1,834	-75	-4.1
Quarter 6	1,031	776	255 ***	32.9	241	266	-24	-9.2
Two years or more[a]								
(Sample size = 1,071)								
Quarters 2-6	2,740	2,502	238	9.5	3,036	3,062	-26	-0.9
Quarter 6	673	582	91	15.6	488	503	-15	-3.0
Race/Ethnicity								
White								
(Sample size = 969)								
Quarters 2-6	4,104	3,331	772 **	23.2	1,867	1,896	-29	-1.5
Quarter 6	978	692	286 ***	41.4	267	271	-4	-1.3
Black								
(Sample size = 1,072)								
Quarters 2-6	3,490	3,278	211	6.4	2,741	2,776	-62	-2.2
Quarter 6	828	755	73	9.7	433	462	-29	-6.3
Other								
(Sample size = 64)								
Quarters 2-6	1,274	2,052	-778	-37.9	2,580	2,659	-79	-3.0
Quarter 6	213	525	-312	-59.4	337	432	-95	-22.0

(continued)

Table 4.6 (continued)

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records and AFDC records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings or AFDC payments from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent. Differences in impacts on earnings and AFDC payments between subgroups were not statistically significant at the 10 percent level or lower.

[a]This subgroup includes AFDC applicants and recipients and refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

Chapter 5

An Early Look at the FTP Time Limit

Chapter 4 presented information on program and control group members' patterns of AFDC receipt during an 18-month period following each person's random assignment date; the available data on AFDC payments, which cover through mid-1996, do not allow for longer follow-up for the full report sample. Although an 18-month follow-up period is sufficient to identify many important trends, it is not long enough to begin to assess how many people are actually reaching FTP's time limit, and what is happening to those who do.

Because people began reaching the 24-month time limit in the spring of 1996, it is possible to take a very early look at how the time limit itself is being implemented. This chapter addresses this question in two ways. First, it examines a very early cohort of people who were randomly assigned in the summer of 1994—individuals who could potentially have reached FTP's 24-month time limit by the summer of 1996. AFDC payment data are used to describe how many months of benefits program and control group members in this early cohort had accumulated by July 1996.

Second, the chapter takes a detailed look at the process that occurs when people approach and then reach the time limit. Specifically, it addresses the procedures that have been used in Escambia County to decide which recipients will receive extensions of the time limit, which ones will have their benefits fully or partly terminated, and which ones may be eligible for subsidized work opportunities after the time limit.

I. FTP's Time-Limit Policy

Any program that includes a benefit-termination time limit will eventually face a quandary: what to do when recipients begin to use up their allotted months and reach the time limit. On the one hand, administrators will likely want to implement the policy as planned—that is, to terminate the families' benefits. Failure to do so might weaken the ability of the time limit to stimulate behavioral change among staff and other recipients. On the other hand, few public officials are likely to be enthusiastic about placing children at risk by removing their family's major income source. They are likely to be especially reluctant to take this step when the parent has made a diligent effort to find work, but has been unable to do so.

To address this dilemma, virtually all state and federal time-limit policies that have been proposed or implemented include provisions for *exemptions* that stop the time-limit "clock" in certain circumstances and *extensions* that allow some families to continue receiving assistance after reaching the time limit.

FTP's time-limit policy is partly a product of Florida's Family Transition Act of 1993 and the rules and regulations developed to implement it, and partly a product of the federal waivers

that allowed Florida to initiate the program. The policy includes provisions for exemptions, extensions, and other options for certain recipients who reach the time limit.

A. Exemptions

As described in Chapter 1, the Family Transition Act identifies certain categories of recipients who are exempt from FTP; in other words, the time limit does not apply to them. These are: disabled or incapacitated adults; full-time caretakers of disabled dependents; caretaker relatives who are not included in the AFDC grant; people under age 18 who are in school or working 30 hours or more per week; parents with children six months old or younger; and recipients 62 years old or older.

In general, staff have attempted to identify and screen out exempt people prior to the random assignment process so that their time-limit clock never starts ticking. However, there are circumstances in which an exemption could begin to apply after a recipient has been subject to the time limit for some period; for example, a recipient could become incapacitated at some point after having been assigned to the program group. In these situations, the time-limit clock is stopped until the exemption no longer applies.[1]

B. Policies for Recipients Who Reach the Time Limit

Under FTP rules, individuals who reach the time limit—that is, who accumulate 24 or 36 countable months of AFDC benefits—generally have their entire AFDC grant canceled. However, the Family Transition Act that established FTP describes two key exceptions to this policy:

- **Extensions.** Recipients who reach the time limit may receive up to two four-month extensions that allow them to continue receiving cash assistance. Extensions may be granted to people who have "substantially met the requirements of [their] employability plan and have encountered extraordinary difficulties in obtaining employment." Applications for extensions are approved or disapproved by a Review Panel consisting of various community representatives (discussed below).

- **Partial cancellation**. The act states that "termination of full AFDC benefits shall not occur unless the [Department of Health and Rehabilitative Services] district administrator makes a determination that such termination is not likely to result in the child being placed into an emergency shelter or foster care." If it is determined that terminating the full grant would "result in the need to move a child into substitute care," there is an option to remove the parent's

[1]As discussed in Chapter 3, FTP's exemptions do not match the exemptions from Project Independence; that is, there are people (for example, adults working 30 hours or more per week) who are subject to FTP and the time limit but are exempt from PI participation mandates.

needs from the grant and assign the children's portion to a third party (known as a "protective payee").[2]

In addition, the act states that the Review Panel may "void or modify" the time limit in situations where the department fails to "substantially provide sufficient services as specified in the FTP employability plan." Finally, the act instructs the department to suspend the time limit entirely during periods of very high unemployment.[3]

The terms and conditions of the federal waiver imposed another key condition: Under the waiver, the state agreed to provide a private or, if necessary, a public work opportunity to "each FTP participant who has diligently completed her self-sufficiency plan but has been unable to find employment at the end of the AFDC benefit time limit." The work opportunity would allow the individual to earn at least as much as the standard AFDC grant for a family the size of hers plus $90 per month (a work expense allowance)—a total of $393 per month for a typical family of three.[4]

Clearly, the practical meaning of these policies hinges on the interpretation of a few key terms such as "diligently," "substantially," and "extraordinary." As discussed below, FTP has faced the challenge of creating concrete procedures to operationalize these policies and apply them to individual recipients.

II. How Many FTP Participants Are Reaching the Time Limit?

It is far too early to draw any firm conclusions about the number of FTP participants who will eventually exhaust their allotted months of AFDC benefits. However, it is possible to take a preliminary look at how many early enrollees are reaching the time limit after 24 months of continuous or nearly continuous AFDC receipt.

A. AFDC Receipt for Early FTP Enrollees

As discussed in Chapter 1, random assignment of AFDC applicants and recipients began in May 1994. Starting in that month, all applicants for AFDC who met FTP's eligibility criteria were randomly assigned to either the FTP program group or the control group. "On-board" clients—those who were already receiving AFDC when FTP began—were phased in gradually during semiannual recertification interviews. Moreover, in order to control the flow of people into the program during the early months, only a fraction of the people who came to the welfare office for recertification went through random assignment; the rest remained in the traditional AFDC program.

---

[2]There is also an option to "remove the parent's needs from the AFDC grant but continue the grant for the child in the name of the parent."

[3]Specifically, the time limit is to be suspended during six-month periods of unemployment rates that are "substantially higher than average." Such a suspension is not allowed unless the unemployment rate is "at least 3 base percentage points above the average for the past 3 years."

[4]A monthly figure of $393 amounts to about half-time work at the current minimum wage.

This section focuses on the 1,012 people (505 in the program group and 507 in the control group) who were randomly assigned between May and August 1994. This group, known as the early cohort, is important because people randomly assigned through August 1994 are the only ones who could possibly have received 24 months of benefits by July 1996, the last month for which AFDC payment data are available for this report (the time-limit clock starts ticking in the month of random assignment).

Figure 5.1 shows the status in July 1996 of the 505 program group members in the early cohort.[5] As the figure shows, 290 of these people were assigned a 24-month time limit, according to FTP records. Of these 290:

- 61 people never received an AFDC check during the follow-up period. As discussed in Chapter 1, these individuals may have withdrawn their application or been found ineligible for AFDC after they were randomly assigned. They are included in the analysis because FTP may have influenced their behavior in some way.

- 150 people had received between one and 15 months of benefits as of July 1996.

- 53 people had received between 16 and 23 months of benefits as of July 1996, leaving them close to the time limit. [6]

The 26 people shown in the top right-hand box of the figure represent the full universe of people who: (1) were randomly assigned to the program group by the end of August 1994; (2) were subject to a 24-month time limit; and (3) had received at least 24 months of benefits by July 1996. It is important to note that other program group members from the early cohort also had received 24 months of benefits by July 1996, but they were subject to a 36-month time limit.[7]

These 26 people amount to 9 percent of early-cohort program group members with a 24-month time limit. This could also be expressed as 11 percent of early-cohort program group members with a 24-month time limit who received at least one AFDC check after random assignment. (Although people who never received AFDC are part of the evaluation, they may hold little concrete relevance for program administrators.)

---

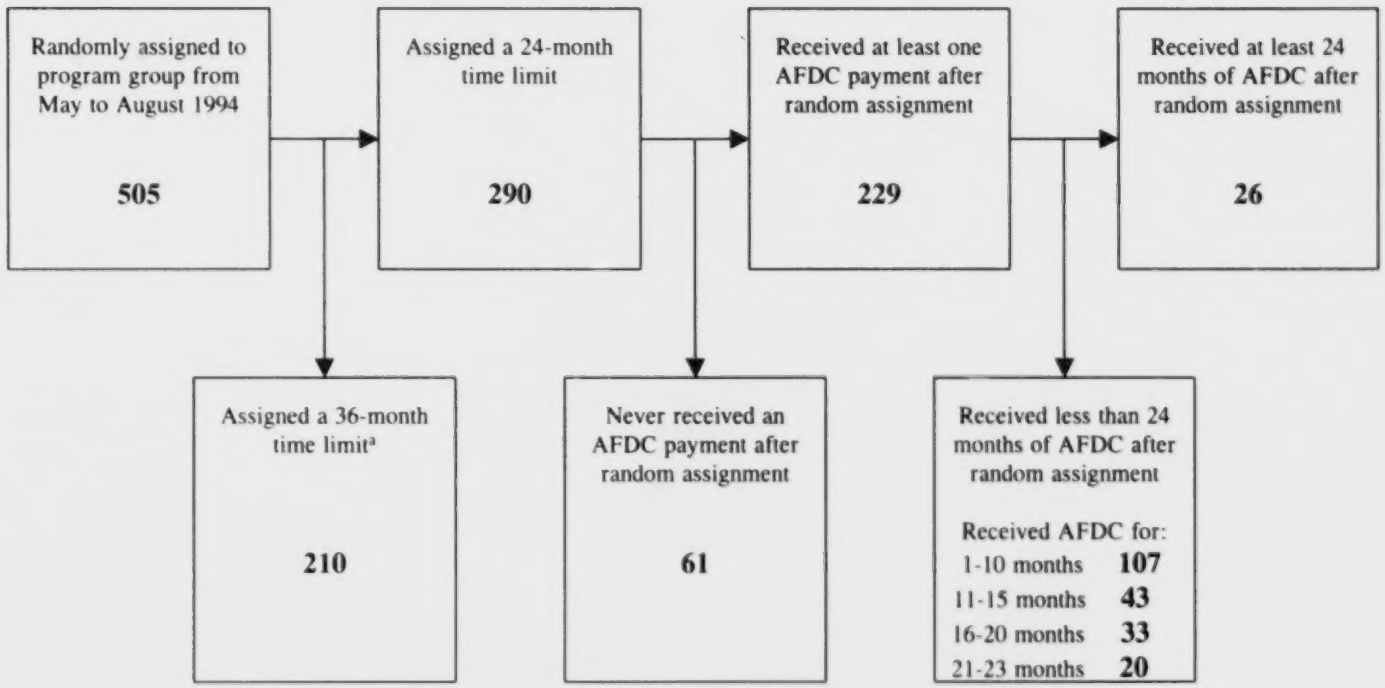
[5]Unlike other figures and tables in this report, Figure 5.1 is not based on a uniform follow-up period; it presents more months of data for people who were randomly assigned earlier.

[6]This distribution may not be precisely accurate because, in conducting this analysis, MDRC lumped together all payments issued to each individual in each month. This means, for example, that if May 1 fell on a weekend and the check that covered May was issued at the end of April, the data would show that no payment was received in May. In addition, as discussed in Chapter 4, MDRC obtained information only on payments made to the case number on which the individual was receiving benefits at the point of random assignment. For people who had received nearly 24 months of benefits, MDRC reconciled its records with program records to ensure an accurate count of the number of people who reached the time limit.

[7]Of the 210 people with a 36-month time limit, approximately 40 percent had received at least 24 months of benefits by July 1996. Thus, in all, approximately 20 percent of the program group members who entered FTP between May and August 1994 had received at least 24 post-random assignment monthly AFDC payments by July 1996.

Figure 5.1
Florida's Family Transition Program
Escambia County

AFDC Status in July 1996 of an Early Cohort of Program Group Members


Randomly assigned to program group from May to August 1994
505
Assigned a 24-month time limit
290
Received at least one AFDC payment after random assignment
229
Received at least 24 months of AFDC after random assignment
26
Assigned a 36-month time limit[a]
210
Never received an AFDC payment after random assignment
61
Received less than 24 months of AFDC after random assignment
Received AFDC for:
1-10 months 107
11-15 months 43
16-20 months 33
21-23 months 20

SOURCES: MDRC calculations from Florida AFDC records and Family Transition Program data.

NOTES: The early cohort consists of individuals randomly assigned between May and August 1994.
[a]The time limit was unknown for five program group members.

MDRC reviewed FTP records to understand how these 26 people were handled by the program. The records show that nearly all of the 26 had their benefits canceled after the 24th month.[8] As discussed below, some of those whose benefits were canceled were employed when they reached the time limit; others were considered "noncompliant" and had their benefits terminated whether or not they were employed (these cases were reviewed to determine whether cancellation of the full grant would place the children at risk of foster care placement). Two of the cases received four-month extensions of the time limit, and a small number were not listed in program records as having received extensions or having had their benefits canceled; it is presumed that these individuals were granted exemptions at some point, and that some of their months of AFDC receipt therefore did not count toward the time limit.

B. A Comparison with the Control Group

Figure 5.1 shows that only a small number of program group members had reached FTP's time limit by July 1996. Most of the 290 people who could potentially have reached the limit by that point (because they were randomly assigned to the program group by August 1994 and had a 24-month time limit) left AFDC at least temporarily before they had accumulated 24 months of benefits.

This information is important but, in itself, does not say anything about the effects of FTP. Previous research has shown that AFDC recipients are constantly leaving the rolls on their own, with or without special programs or time limits. This is especially likely to be the case for people with characteristics that lead to their being assigned a 24-month time limit; they have fewer barriers to employment than those assigned a 36-month limit. In order to assess whether FTP is affecting the number of people who accumulate 24 months of AFDC, it is necessary to compare the AFDC receipt patterns of program group members with those of control group members, who were not subject to the time limit or other features of FTP.

To conduct this comparison, MDRC examined AFDC payment data for program and control group members who are in both the early cohort and the 24-month time-limit subgroup. As discussed in Chapter 4, the time-limit subgroups were created in order to estimate which control group members would have been subject to each of the two time-limit types had they been in FTP.[9]

---

[8]This does not reflect the total number of people who had reached the time limit in Escambia County by the end of July 1996. As discussed in Chapter 2, FTP enrolled several dozen people during a three-month pilot that preceded the beginning of random assignment in May 1994. Some of these individuals had reached the time limit by July 1996, but because they did not go through the random assignment process, MDRC has no data about them.

[9]It is important to note that the program group members examined in this comparison are not exactly the same people who were identified as having a 24-month time limit in Figure 5.1. The analysis that produced Figure 5.1 used people's actual time limit, as assigned by FTP. As noted earlier, 290 (57.4 percent) of the 505 program group members in the early cohort actually have a 24-month clock. However, in order to conduct a comparison with the control group, it was necessary to use a time-limit designation that was imputed on the basis of baseline characteristics for both program and control group members. Using this method, 59.8 percent of program group members in the early cohort had an *imputed* 24-month time limit. In all, 75 percent of the people who had a 24-month clock assigned to them by FTP were also imputed to have a 24-month time limit on the basis of baseline characteristics. The reasons that this match rate is less than 100 percent are discussed in Chapter 4.

This analysis showed that, among people with characteristics that correspond to the criteria for a 24-month time limit, the percentage of people who had received 24 months of benefits by July 1996 was nearly identical for the program and control groups. This result indicates that, in this early period, FTP has not caused people to leave AFDC faster than they would have otherwise. In addition, there was no significant difference between the groups in average AFDC payment per person at the end of the follow-up period (the averages include everyone in the groups, including those who received no payments or partial payments). Chapter 4 discussed several possible reasons why FTP may not have hastened people's departure from welfare.

III. FTP's Pre-Time-Limit Process

In order to implement the policies described in the first section of this chapter, FTP needed to develop procedures to draw distinctions among participants—to identify, for example, those who have "diligently" completed their self-sufficiency plans and those who have not.

Figure 5.2 is a simplified depiction of the process that has emerged in Escambia County. As the figure shows, the loosely defined distinctions in the law and waivers have been operationalized as two separate tracks: one for "compliant" participants and the other for "noncompliant" participants. In practice, a participant's compliance status determines the state's obligation to her after the time limit and some of the resources available to her before the time limit.

This section discusses how compliance is determined, describes the two tracks that FTP participants may follow as they approach the time limit, and identifies some issues raised by the early experiences in Escambia County. The data presented here are based on individual interviews with 30 Review Panel members, numerous FTP managers and supervisors, and child welfare staff, and on observation of Review Panel hearings and "pre-staffing" meetings.

A. Defining Compliance

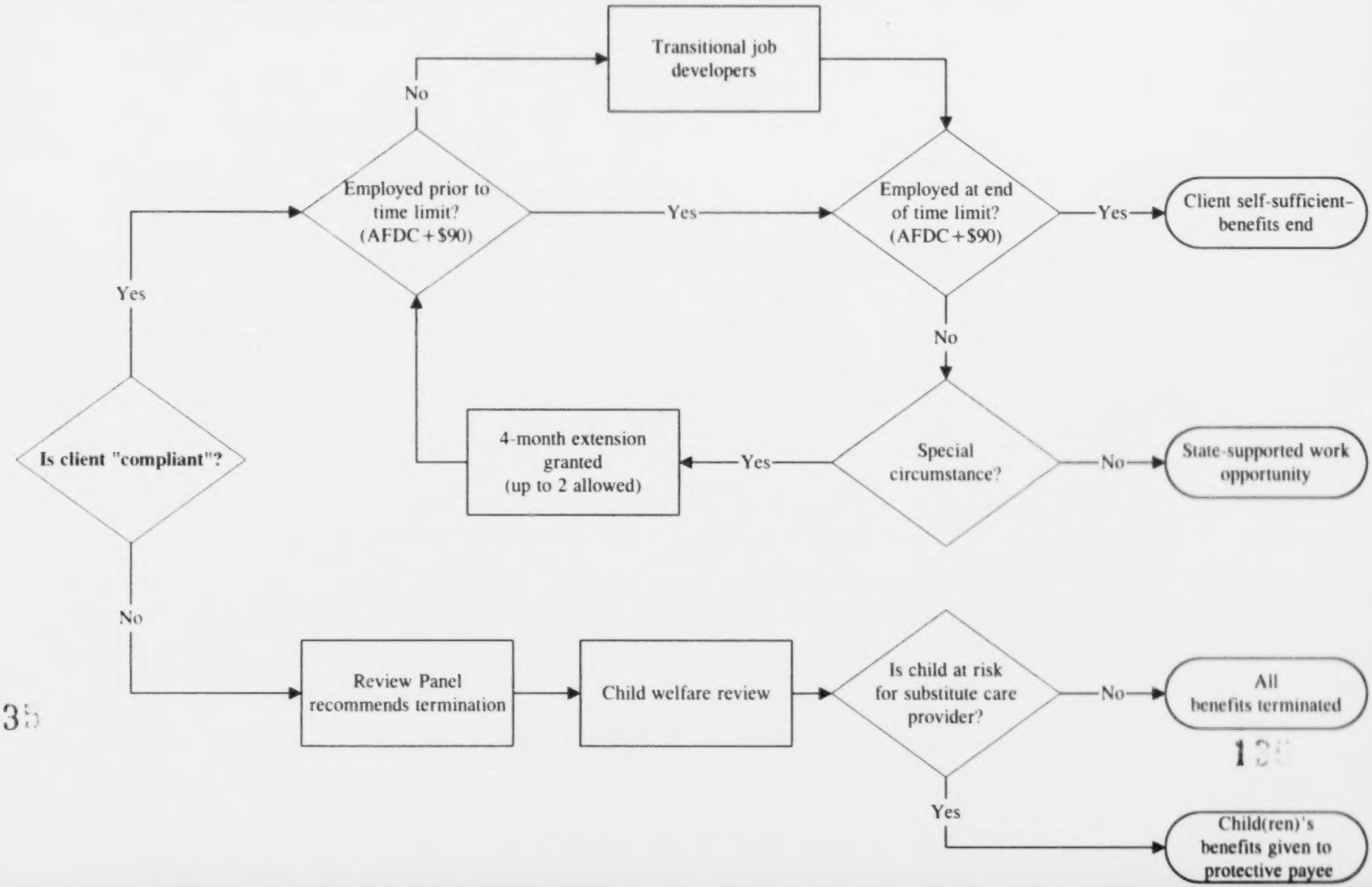
The Family Transition Act stipulates that participants who are failing to meet FTP requirements must be sent to the Review Panel at least every nine months. The panel's job is to "assist in reviewing the sufficiency of the department's delivery of enhanced FTP services . . . and the progress of participants." In practice, the process used to determine which cases are brought to the panel is directly linked to the process for determining whether participants should follow the "compliant" or "noncompliant" tracks identified in Figure 5.2.

Every month, case managers, career advisors, and their supervisors hold "pre-staffing" meetings to discuss participants who are not being successful in the program in order to decide which cases should be sent to the Review Panel; the cases brought up for discussion are identified by case managers and career advisors. Participants approaching their 9th, 18th, or 27th month in FTP tend to receive the most attention, although staff are not strictly limited to sending cases to the Review Panel at those points. If, for example, a participant suddenly stops

Figure 5.2

Florida's Family Transition Program
Escambia County

Simplified Illustration of the Process for Participants Who Are Within Six Months of Reaching the Time Limit



cooperating with the program in her 13th month, the staff involved in the case may decide to bring her to the panel in her 14th month rather than waiting for her 18th month. Also, cases overlooked or considered marginal at the 9th (or 18th or 27th) month may be brought to the Review Panel at a later date.

Overwhelmingly, participants are sent to the Review Panel because staff have determined that they have not complied with FTP. According to staff, participants who are complying with the program but are not making sufficient progress may also be sent to the Review Panel, but this is much less common. Being brought to the panel for not progressing does not technically establish noncompliance, but it may be a step toward establishing a record of noncompliance.[10]

If the Review Panel concurs with the staff's assessment that a participant is noncompliant, the participant is officially designated as noncompliant and becomes ineligible for enriched job placement services, benefit extensions, and a post-time-limit work opportunity (discussed below). If a noncompliant participant is within six months of reaching the time limit (this would generally be the case at the 18-month panel), the panel would formally recommend that the participant's benefits be terminated at the time limit.[11] To date, it appears that the Review Panels have usually concurred with the staff's assessments. Thus, for all practical purposes, the initial decision about which cases should be brought to the panel as noncompliant is quite likely to determine which path the participant client will ultimately take.

There is no set formula to determine whether a particular participant should be brought to the panel as noncompliant. FTP case managers, career advisors, and their supervisors have to weigh the individual's record of participation in the program. In general, participants considered to be compliant are those who attend most of their appointments, provide good cause in a timely manner for those appointments that they do not attend, follow their employability plan, and make progress toward obtaining employment that will pay at or above the level of the grant for their family size, plus $90 per month. (The common shorthand for this level of employment is "AFDC+90.")

At the other end of the spectrum, staff report that some cases are clearly noncompliant; these individuals miss the majority of their appointments and refuse to cooperate with the staff. There are, however, other cases where a participant's degree of compliance is not as clear-cut. In these cases, staff must make a difficult judgment, as illustrated in these two quotes from interviews with FTP supervisors:

---

[10]It is unclear whether these cases are treated any differently than noncompliant cases. In a sample of Review Panel recommendations, the few clients who appear to have been found to be in compliance with FTP were nonetheless advised to reassess their noncompliance and warned that their benefits might be terminated at the end of the time limit. This is the same warning that is given to noncompliant clients who come before the Review Panel. These cases are somewhat confusing because the clients are referred to as both compliant and noncompliant in the same memo.

[11]The staff try to make sure that noncompliant participants are brought to the Review Panel at least once before they are brought for benefit termination at month 18; but for some participants who are brought to the panel for benefit termination, it is the first time that they have been brought to the panel for noncompliance.

> Some of them you have to weigh them: Do they have more compliance or do they have more noncompliance? For some of them, it is really hard to say. And a lot of times they do have noncompliance, but [it is for] good cause, but it [the participant's compliance] is still doubtful. So sometimes you have to weigh it.

> As far as the panel is concerned, a lot of factors are looked at, OK? It is the compliances outweighing the noncompliances. It is the attitude basically of the client. If the client, to me, does not want to participate, they are showing no interest whatsoever, they are just refusing, they want to do what they want to do, they are not working with us—I say that's a good reason to take them to the panel, because the panel needs to see that and it needs to be documented.

One key factor in determining a participant's compliance is whether she has been sanctioned. Being sanctioned, however, does not automatically mean that a participant is classified as noncompliant. As a supervisor noted:

> Basically, if the person is sanctioned for one time, if they're pretty much compliant with us and that might have been just a slip-up or just a one-time thing, normally we don't [take them to the panel]. Basically, we try to look at the number of noncompliances and no-shows and noncooperations in comparison to cooperation. That is the biggest factor that we look at. When there is any doubt, we normally take them [to the Review Panel].

MDRC's casefile review, discussed in Chapter 3, found that 30 percent of program group members in the report sample had been sanctioned within 18 months after random assignment, but only 12 percent had been brought to the Review Panel.[12]

Conversely, participants who have never been sanctioned may still be considered noncompliant. As noted earlier, some FTP participants—such as those who are working 30 hours per week—are exempt from Project Independence participation mandates, and thus cannot be sanctioned for failing to cooperate with PI. Nevertheless, staff may still regard such an individual as noncompliant because, in their view, she is not making a diligent effort to become self-sufficient. In addition, staff have reported that some participants fail to cooperate with FTP but manage to avoid a sanction by "gaming" the conciliation process that is intended to resolve disputes about participation.[13]

In general, staff report that they are inclined to bring cases to the Review Panel if there is some doubt about whether the participant has been compliant. This is particularly likely if the individual is approaching the end of her time limit without adequate employment, because these are the cases for which extensions or post-time-limit work opportunities may be a possibility.

---

[12]These percentages are not directly comparable, since clients who received AFDC for less than nine months may have been sanctioned but not brought to the Review Panel because it was too early. Nonetheless, it does appear that somewhat fewer clients were brought to the panel than were sanctioned.

[13]As discussed in Chapter 3, FTP made some procedural changes to make sanctions occur more quickly in response to missed appointments or other instances of noncooperation.

Participants with steady employment are less likely to be taken to the panel. As one supervisor noted, "If they are making the grant plus ninety [dollars], then they shouldn't go to the panel, because when the grant ends, they will just roll right off."

The process just described results in the two paths shown in Figure 5.2. Roughly six months before participants reach the time limit, corresponding to the 18-month Review Panel, cases designated as noncompliant usually move down the path toward benefit termination, described below. Compliant participants typically do not go to the Review Panel; they follow the path described in the next section.

B. The Process for "Compliant" Participants

In the last six months of participation in the Family Transition Program, the channel for participants designated as compliant may include intensive job placement services (provided by staff known as transitional job developers) and the possibility of up to two four-month extensions of benefits after the time limit. At the end of the time limit, FTP must also ensure that compliant participants have a job that allows them to earn at least $90 per month more than the standard grant for their family size.

1. Transitional job developers. About six months before a compliant participant reaches the time limit, the case manager and career advisor will assess how likely the individual is to be employed and making AFDC+90 when her clock runs out. If the participant is already employed at a job that appears to be steady and pays at the "self-sufficiency" level of AFDC+90, the case manager and career advisor may let her continue in that path. If the participant is not in a steady job and the case manager and career advisor are concerned that she may not be earning AFDC+90 when her clock runs out, they can refer her to a transitional job developer.

Transitional job developers work intensively with the participants who are referred to them, and can offer employers an incentive payment that equals up to 70 percent of the recipient's annual AFDC grant.[14] If a participant does not cooperate with the transitional job developer or refuses to accept a job without good cause, her compliance may be reevaluated. A participant found to be noncompliant at this point will be sent to the Review Panel and will be routed through the noncompliant channel for benefit termination, which is discussed later in this chapter.

Although the transitional job developers are seen as having been very successful so far, there is concern that some participants will be unemployable even with the assistance of generous employer subsidies. If this occurs, it is unclear whether the state will provide a public job or some other arrangement will be made. One possibility for compliant participants who reach the time limit without sufficient employment is extensions, discussed in the next section.

---

[14]For a recipient with a $303 monthly grant, the incentive payment can be up to $2,545. This is a flexible incentive that can be paid in installments to encourage job retention (for example, roughly $800 at placement, $800 after six months, and $800 after one year). These incentive payments are described in the Family Transition Act and Florida's federal waiver, and are targeted to hard-to-serve participants.

2. Extensions. The terms and conditions of the federal waiver state that the Review Panel shall recommend extensions when "[the] participant has substantially complied with the FTP plan and either (a) the state has substantially failed to provide sufficient services as specified in the FTP employability plan, (b) the participant would benefit from additional education and training in a way that is likely to contribute significantly to her immediate employment prospects or (c) the participant has encountered extraordinary difficulties in obtaining employment or in completing her employability plan."

Under these terms, extensions could be granted for a number of reasons; the vaguely worded criteria provide the panel with a high degree of discretion. In practice, however, extensions have been a relatively minor feature of FTP so far. As of August 1996, there had been five extension requests—three approved, one denied, and one withdrawn (although it is important to note that the total number of people reaching the time limit by that point was also small).

Several factors probably account for the small number of extensions granted to date. First, FTP staff seem to feel that promoting extensions would send the wrong message to participants, creating more problems than it would solve. For example, as discussed in Chapter 3, 78 percent of FTP case managers responding to the staff survey said that they are unlikely to discuss extensions with new FTP participants, and the same percentage said that they rarely encourage participants to apply for extensions if they (the staff) feel that the participant cannot become self-sufficient within the time limit. FTP staff and HRS district office staff have expressed concern that granting extensions under any but the most extreme conditions would undermine the credibility of the program and might decrease participants' motivation to find employment before reaching the time limit. Establishing the credibility of the time limit may be particularly important in light of staff perceptions that many recipients do not believe their benefits will really be terminated at the time limit (see Chapter 3). Some case managers are also reluctant to tell participants about extensions because they do not want clients to count on extensions that may not be granted.

A second factor, closely related to the first, is that relatively few participants have requested extensions. This may be because some participants think that they can become self-sufficient within the time limit or that they will not qualify for an extension. Or it may be, as one supervisor speculated, that participants are unaware of the extensions: "A lot of the participants aren't really aware too much of the extensions because we don't really discuss it too much with them."

A third factor involves the role of the Review Panel. Although the panel has the authority, independent of FTP, to recommend extensions or even to recommend voiding a participant's time limit altogether, in practice an extension is likely to be granted only when there is consensus among FTP staff and the district office that the participant has faced extraordinary and external circumstances that warrant additional time. As one supervisor said: "If it is not an extraordinary circumstance, don't even think about it."

If there is consensus among FTP staff and managers that a participant should receive an extension, a form detailing the reasons for the extension and approved by the district office and

the staff involved in the case is given to the Review Panel, which then makes a recommendation to grant or deny the request. Hearings are not held in cases where FTP supports the participant's request for an extension, in part because the agency does not want to burden the volunteer Review Panel with time-consuming hearings when there is sufficient support for the participant's request to assume that the panel will grant it.

If the agency disagrees with a participant's request for an extension, a formal Review Panel hearing is held. The same form used in the situation described above is sent to the panel, but in this case, the form indicates that FTP does not support the request. There was some controversy over whether these cases should be heard by the panel, but it was decided that participants should have the opportunity to present their case to the panel even if it is not supported by FTP.

The district administrator reviews the panel's recommendations and makes the final decision on benefit extensions. As of August 1996, the district administrator had followed all of the panel's recommendations.

While it is much too early to draw any firm conclusions about what criteria are being used to grant extensions, the few early cases do fall into a pattern. So far, "extraordinary circumstances" has been interpreted primarily as external forces completely beyond the participant's control that hinder her employability and can be remedied by an extension. For example, when the local junior college added a required class to a certificate program that extended beyond the time limit, an extension was granted for a participant already enrolled in the program to complete the certificate. This extension was justified because the training would directly improve the individual's employability *and* because the circumstances were extraordinary.

Family problems, illness, and functional limitations appear not to have been viewed as grounds for extensions in themselves for this early group, perhaps because they are unlikely to be remedied by a short-term extension of benefits. So far no participant has received an extension due to agency failure (condition *a* in the federal waiver, as quoted above). This early cohort was arguably the most likely to receive such extensions, given the start-up delays described in Chapter 2.

While the early extensions are interesting, it is important to remember that only five extensions had been requested at the time this research was conducted. As more people reach the time limit, and presumably request more extensions, a more reliable pattern of extensions may emerge.

3. Post-time-limit work opportunities. If, despite the best efforts of FTP, a "compliant" participant reaches the time limit without a job that pays a minimum of AFDC+90, FTP is obligated to provide that participant with a work opportunity. As discussed in Chapter 3, staff rarely tell participants that FTP will ensure that compliant participants have a job by the time they reach the limit, perhaps because many staff report that they do not believe this is the case. There also may be some concern that informing participants that they are guaranteed jobs at the time limit if they are in compliance with the program will reduce their motivation to find jobs

independently. If participants rely on FTP to find them employment, not only will the agency be overburdened, but the goal of developing independence may also be undermined.

As of August 1996, none of the participants designated as compliant had reached the time limit without earning at least AFDC+90, so the state had not needed to provide any jobs directly. (Conversely, all the participants who reached the time limit without employment were designated as noncompliant.) Thus, it remains unclear how the state will meet the waiver requirement to provide work opportunities to compliant participants who reach the time limit without obtaining employment.

All the compliant participants so far, with the exception of the three who were granted extensions, have lost their benefits at the time limit. These cases have not, however, been considered "benefit terminations" in the way that term is applied to noncompliant participants who lost their benefits. This is because the compliant participants were all employed earning AFDC+90 when their benefits ended, as they had to be by law, and therefore were considered to be self-sufficient. It not clear what will happen if one of these individuals loses her job after the time limit and seeks further assistance.

C. The Process for "Noncompliant" Participants

Noncompliant participants will lose their benefits at the time limit whether or not they are employed. Extensions cannot be granted to noncompliant participants, and they are not eligible for post-time-limit work opportunities. Although FTP holds the goal of self-sufficiency for all participants, compliant and noncompliant, toward the end of the time limit the programmatic focus for noncompliant participants is on the benefit termination process.

The benefit termination process for a noncompliant participant includes Review Panel hearings to confirm the noncompliance and to recommend termination for the adult's portion of the grant; it also includes a child welfare review to determine whether the children's portion of the grant will also be cut off at the time limit or given to a protective payee to administer on behalf of the children. The Review Panel and child welfare staff make their recommendations to the district administrator, who then makes the final determination on benefit termination. The district administrator has followed the recommendations of the Review Panel and child welfare staff in all cases so far, although he has the authority to disregard them.

1. The Review Panel. The Review Panel was established in the Family Transition Act as an independent, community-based panel to review cases that were not succeeding in the Family Transition Program. It was also to serve an advocacy role for FTP participants, ensuring their fair treatment in the program. The panel was to consist of seven members, one member representing the local Heath and Human Services Board, one a member of the Private Industry Council,[15] a participant or former participant in FTP, two members of the local business community, one member from the education community, and one member at large.

---

[15]The Private Industry Council, a body that oversees Job Training Partnership Act (JTPA) programs, was recently disbanded in Escambia County. Though many of the former PIC Review Panel members still serve on the Review Panel, it is unclear what will happen in the future.

Both the act and the federal waiver imply that there will be one standing Review Panel. Having one unpaid panel hear all noncompliant cases, however, would be logistically impossible. FTP currently holds about four days of hearings per month and will likely be holding more as the number of FTP participants increases. Since the panel is made up of volunteers, FTP would have to find seven people who were willing and able to spend four workdays a month reviewing FTP cases.

Instead of one panel, FTP has recruited a pool of about 50 Review Panel members, of whom about 30 are active. Review Panel members are recruited through the personal and professional contacts of people involved in FTP as well as an advertisement that ran in a local newspaper. As of August 1996, no one who had applied to be a Review Panel member had been rejected.

The pool of Review Panel members includes both men and women and is racially mixed. Most of the Review Panel members are middle-income professionals and are concentrated in social service professions. Because service on these panels requires that one be able to take at least a half-day off every few months to serve without pay, many of the Review Panel members are either retired or able to incorporate their Review Panel service into their jobs. For example, the Private Industry Council allowed, even encouraged, its employees to serve on the panel without losing any pay. Former AFDC recipients, in contrast, were generally not in jobs where they could take so much time off and therefore tended not to sit on the panels.

Even with such a large pool of Review Panel members, having one member from each of the groups outlined in the law sit on each panel was a logistical impossibility. An average Review Panel week consists of eight panels, one in the morning and one in the afternoon for each of the four days of hearings. With most members being able to sit on only one (half-day) panel per month at best, the goal of filling up the mandated slots for each panel gave way to the goal of getting as many Review Panel members to each hearing as possible. Many hearings are held with only four or five Review Panel members present, and some have been held with as few as two.

2. Review Panel hearings and benefit termination. The Review Panel rooms are set up to resemble a courtroom, with the panel sitting at a large table in the front of the room and the case manager and career advisor sitting at a smaller table facing the panel. The participant sits at a second table also facing the panel. Observers sit in rows in the back. Although participants are allowed to bring an advocate, none did so over the summer of 1996. Occasionally, a family member would attend the hearing with the participant.

When participants attend, the hearings are formal presentations. The members of the panel introduce themselves, and the case manager and career advisor read a short summary of the participant's activities, highlighting activities that she did not attend (often half or more of those scheduled). The panel then asks questions of the case manager and career advisor. The participant is typically asked if she has anything to say. Personal issues such as problems with a child will often come up and the panel will address them by offering advice. The panel also frequently discusses the participant's career goals. The participants are sometimes angry or upset, though many show little emotion. From observation of the hearings, it appears that the

participant's demeanor is important; defiant individuals seem to elicit the most unfavorable response from the panel, while polite, self-possessed participants are more favorably received.

Staff report that some of the participants who are sent to the Review Panel for noncompliance have very low scores on the Test of Adult Basic Education (TABE).[16] As a supervisor noted: "I find with the participants that are going to the Review Panel, a lot of them are lower levels as far as TABE scores and IQ levels and things like that." A few of the participants who were brought to panels in the summer of 1996 had medical limitations that were not severe enough to make them eligible for Supplemental Security Income (SSI) but might have made them unable to sustain self-sufficiency.[17]

Review Panel hearings generally run a little under a half an hour when the participant attends. When the participant does not attend, the hearings typically take 10 to 15 minutes. Participants very often do not attend the hearings. It is not unusual for a panel to hear five or six cases and see only one participant. Both staff and panel members stressed how important they felt it was for clients to attend the hearings: "Most of the ones that show up [at the Review Panel hearings], we kind of get their attention because they see what kind of a process it is. It's almost like a legal process, you know."

If the participant does not attend the hearing, the summary of activities prepared by the case manager and career advisor is the primary source of information on the case. These summaries are sent to the panel in advance of the hearing by the FTP staff person who serves as Review Panel liaison. The panel may ask questions or request additional information from the staff. If the participant attends the hearing, she is given a copy of the summary during the hearing. Participants are not sent the activity summaries in advance, but they may request their summaries from the case managers.

Preparing activity summaries, attending pre-staffing meetings, and presenting at the Review Panel hearings are all time-consuming activities for the staff. On the staff surveys, all the case managers and 90 percent of the FTP/PI career advisors reported that it is "a great deal of work" to prepare materials for the panels.

After the hearing, the Review Panel liaison writes up the panel recommendations using a standard formula: "The panel finds *x* and recommends *y*." The first finding in all but the very few cases that are taken to the panel *as compliant cases* is that the participant has been noncompliant. Correspondingly, the first recommendation is that the participant come into compliance with the program. The remaining four or five recommendations typically address specific tasks that the panel feels would be beneficial for the participant: establish an employability plan, complete psychological or vocational assessment, and the like. The panel

---

[16]Preliminary data suggest that roughly 10 percent of the clients who went to the Review Panel had TABE scores at or below the fourth-grade level for the total battery, and approximately another 30 percent scored between the fourth- and eighth-grade levels. There is some controversy within the Family Transition Program over how reliable these scores are, with some of the staff feeling that clients sometimes "throw" the tests in the hope that if they have low scores, little will be expected of them.

[17]Supplemental Security Income (SSI) is a federally funded program that provides cash grants to needy elderly and disabled people. It uses a strict definition of "disability."

hopes that these recommendations will help the client become compliant and ultimately self-sufficient. FTP case managers, however, felt that the existence of the Review Panel had little effect on the services provided to the participants. On the staff survey, two-thirds of case managers leaned toward the response "no effect" when asked how much the panel's existence affects whether FTP participants get services from the welfare department.

If a noncompliant participant has six months or fewer on her clock, the Review Panel will recommend that her benefits be terminated when she reaches the time limit. According to the federal waiver, the panel "may void or modify the time limit on benefits." It is unclear whether the panel was aware that they had this option. Observations of Review Panel hearings and interviews with panel members suggest that benefit terminations for noncompliant cases are regarded as a matter of course.

At a later date, the Review Panel chair checks the accuracy of what the liaison has written and initials the findings. These findings are then sent to the case manager, career advisor, and participant.

Once the Review Panel has recommended benefit termination—which usually occurs when about six months remain on the participant's clock—the case is reviewed by child welfare to determine whether the children are likely to end up in substitute care if their portion of the grant is terminated. While the adult's portion of the grant will definitely be terminated at the time limit, the children will lose their benefits only if HRS decides that they are not at risk of going into substitute care.

3. Child welfare review. The purpose of the child welfare review is narrowly defined. A child welfare review worker explained:

> My only role is to look at the likelihood of substitute care. I do not evaluate the quality of the work that the FTP case manager may have done or not done. I don't look at did they really give this person a chance and that sort of thing; that is not my role. The Review Panel and their supervisor and their program look at that. I only look at the likelihood of substitute care.

"Substitute care" is defined only as foster care or group home care. Kin care or other forms of nonparental care outside of the state system are not considered substitute care for the purpose of the review. For example, it may be determined that if a mother can no longer care for her children after benefit termination, other family members can, so the children are therefore not at risk for substitute care. The child welfare review determines only whether there is a high likelihood that a child will end up in substitute care as a direct result of benefit termination. One reviewer commented: "I am in search of families who are just so fragile, who have a history of prior neglect and abuse, that termination of benefits would result in foster care placement." Broader questions of the well-being of the child are not addressed in this review.

To make a determination about the likelihood of substitute care, child welfare staff look primarily to the Florida Abuse Hotline Information System (FAHLS), which contains all abuse or neglect reports that have been confirmed or closed without classification since the system was

implemented in 1989. The system also contains some additional information about the reported incident(s) and the family in general. Histories of mental health problems and criminal records may be included. The system also provides information on other agencies with which the family has interacted, including juvenile justice, which can then be approached for further information.

Staff report that the majority of cases reviewed for benefit termination to date have not been known to the child welfare agency and therefore are not in the FAHLS. In these cases, the child welfare review is based primarily on the notes from the FTP summary of activities. The FTP case manager may be called and asked for additional information on the family. However, if the family has had no prior interaction with the child welfare agency, the child welfare worker is likely to see the family as having some stability. The children therefore will probably not be considered at risk for substitute care as a result of benefit termination.

The ages of the children in the family and the presence of relatives in the area can mitigate other concerns about the effect of benefit termination. As a child welfare reviewer explained:

> I believe that the ones that have troubled me the most have been those who do have very low-functioning parents and I've really had to call the FTP person [case manager] and kind of read between the lines and fortunately all of those have had other people in that grant. And I've had some of those also where the children were like fifteen, the youngest child would have been fifteen[18] and you know mama is gonna have to face up to no income in three or four years anyway and I don't believe that she is going to be eligible for SSI even though she functions pretty low.

In these cases a protective payee—a volunteer to administer the children's portion of the grant—was not assigned. When data collection for this report ended, one family had been assigned a protective payee and a second was in the process of being assigned one. Finding appropriate protective payees has been very difficult even in these first cases.

D. Issues Related to Reaching the Time Limit

Very few people have reached the time limit in Escambia County, and it is much too early to draw firm conclusions about who is reaching the time limit or about the benefit termination process. Because the need for information on time-limited welfare is urgent, however, this section identifies a few issues that appear to be emerging in FTP.

It should be noted again that the Family Transition Program is one of the first time-limited welfare programs in the nation, and Escambia County staff began their program without benefit of hindsight. FTP staff were faced with the challenge of creating an effective, innovative program within the structure outlined by the Family Transition Act and the federal waiver.

---

[18]Traditional AFDC benefits end when the children in the family become adults. The mother in this grant would lose her benefits soon even if the FTP program were not time-limited.

One of the most important issues that has emerged in the Family Transition Program is what to do with participants who may never be able to achieve or sustain self-sufficiency due to limited intellectual capacity, mental or physical health problems, or some combination of the three. These individuals may be unable to qualify for SSI because they are able to work intermittently, but they may not be able to support a family independently. On the staff survey, FTP case managers were asked to estimate the percentage of participants who "have such significant barriers that they are incapable of becoming self-sufficient before they reach their time limit." Estimates varied widely, but, on average, workers thought the figure was about 20 percent for participants with a 24-month time limit and 24 percent for clients with a 36-month time limit. On a subsequent question, 85 percent of workers said they thought that "very few" of those individuals would qualify for an exemption under current FTP rules. What to do in cases where recipients are unable to maintain self-sufficiency through consistent employment, but are able to work enough to be ineligible for SSI, remains a key question.

A related concern is the issue of fairness in the granting of case-by-case extensions without objective criteria. In the Family Transition Program, legitimate concerns about overburdening the Review Panel with extension hearings has led to a two-tiered system in which hearings are held only in contested cases. Having different procedures for extension requests that are and are not supported by FTP may create an unintentional bias against participants whose requests are not supported by the agency, which would undermine the goal of having an independent panel make recommendations on extension requests.

Fairness may also become an issue in determining a participant's compliance status. While many of the FTP participants defined as noncompliant were clearly not cooperating with the program, some were borderline. The staff had to assess the participant as a whole to determine if she was compliant. Subjective criteria such as attitude and cooperation are sometimes factored into these cases. Case managers report that they will sometimes schedule a participant for many appointments, trying to establish a clear pattern of attendance or absences. While this is more objective than relying on attitude, low-functioning participants may be unable to keep track of all the appointments, so that they may be rendered noncompliant while their better-organized counterparts remain compliant.

Any program that uses a participant's diligence or compliance as the criterion for eligibility for services, as many of the new welfare programs do, will face the problem of defining these subjective characteristics in a way that is fair and equitable. Emphasizing caseworker assessments of a recipient's attitude and effort risks a bias based on personal or cultural factors. Conversely, emphasizing objective achievements such as keeping appointments does not take into consideration such factors as the individual's competence or external circumstances. Balancing objective and subjective criteria will be a key challenge as more discretion enters into the administration of welfare benefits.

Finally, a common concern regarding time-limited welfare is the well-being of children in families whose grants have been terminated. How to assess and respond to the impact of benefit termination on children is a fundamental question. However, one issue that has become evident in FTP is that many people may not fully understand the limited scope of the child welfare review process. As discussed earlier, the review only determines the likelihood that benefit

termination will result in substitute care. Determining the impact that benefit termination will have on the well-being of children not at risk for substitute care is not the purpose of the child welfare review. In interviews, however, a number of Review Panel members described the child welfare review as a safety net that ensures that children will not be hurt by the loss of their grant. If private citizens who are involved with or concerned about welfare reform misunderstand the level of child protection in the programs, they may not be prepared to make informed choices about these policies.

Appendix A

Supplemental Tables to Chapter 2

Appendix Table A.1

Florida's Family Transition Program
Escambia County

Selected Characteristics of the Sample at the Time of Random Assignment, by Random Assignment Cohort

Characteristic	Randomly Assigned May-Dec. 1994 (Report Sample)	Randomly Assigned Jan. 1995-Aug. 1996
Demographic characteristic		
Gender (%)		
Female	96.8	95.6 **
Male	3.2	4.4 **
Age (%)		
Under 20	7.7	8.0
20-24	24.8	25.7
25-34	45.2	43.4
35-44	19.2	20.0
45 and over	3.2	2.9
Average age (years)	29.1	28.8
Ethnicity (%)		
White, non-Hispanic	46.0	49.4 **
Black, non-Hispanic	50.9	48.0 *
Hispanic	1.2	1.3
Other	1.8	1.3
Family status		
Marital status (%)		
Never married	47.7	46.6
Married, living with spouse	1.0	0.7
Married, living apart	25.2	26.4
Separated	5.0	5.1
Divorced	20.3	20.5
Widowed	0.9	0.6
Number of children (%)		
None[a]	2.0	2.3
One	41.0	42.9
Two	29.4	30.8
Three	17.6	15.0 **
Four or more	10.1	8.9
Average number of children	2.0	1.9 **
Age of youngest child (%)		
2 years and under	42.2	43.6
3-5 years	25.8	27.2
6 years and over	32.0	29.2 **

(continued)

Appendix Table A.1 (continued)

Characteristic	Randomly Assigned May-Dec. 1994 (Report Sample)	Randomly Assigned Jan. 1995-Aug. 1996
Work history		
Ever worked (%)	91.3	93.0 **
Ever worked full time for 6 months or more for one employer (%)	60.5	66.3 ***
Any earnings in past 12 months (%)	47.4	56.1 ***
Approximate earnings in past 12 months (%)		
None	52.6	43.9 ***
$1-$999	18.8	22.1 ***
$1,000-$4,999	16.1	16.4
$5,000-$9,999	8.3	9.0
$10,000 or more	4.1	8.6 ***
Current employment status		
Work status this month (%)		
Currently employed	17.6	19.2
Looking for full-time work	35.7	35.5
Looking for part-time work	10.1	8.9
Not looking for work	36.4	35.6
Have a job, but not working now	0.2	0.8 **
Among those currently employed, average hourly wage ($)	5.00	5.91
Among those currently employed, average hours worked per week (%)		
1-19	23.8	21.7
20-29	30.9	27.7
30 or more	41.5	46.7
Educational status		
Highest degree/diploma earned (%)		
GED[b]	10.4	11.7
High school diploma	44.3	47.0 *
Technical/2-year college degree	5.0	6.5 **
4-year (or more) college degree	1.0	1.4
None of the above	39.3	33.4 ***
Highest grade completed in school (average)	11.1	11.2 ***

(continued)

Appendix Table A.1 (continued)

Characteristic	Randomly Assigned May-Dec. 1994 (Report Sample)	Randomly Assigned Jan. 1995-Aug. 1996
Public assistance status		
Aid status (%)		
Applicant	56.7	72.3 ***
Recipient	43.3	27.7 ***
Total prior AFDC receipt[c] (%)		
None	13.2	24.4 ***
Less than 4 months	5.7	6.3
4 months or more but less than 1 year	16.5	13.5 ***
1 year or more but less than 2 years	14.0	13.5
2 years or more but less than 5 years	24.6	22.1 *
5 years or more but less than 10 years	16.9	13.7 ***
10 years or more	9.2	6.6 ***
Resided as a child in a household receiving AFDC (%)		
Yes, aid received 5 years or more	12.8	9.6 ***
Yes, aid received less than 5 years	7.1	5.8 *
No	75.3	68.0 ***
Don't know	4.8	16.6 ***
Project Independence target group status		
In Project Independence target group (%)		
Parent under age 24, no high school diploma/GED	9.6	9.0
Parent under age 24, limited work experience	9.4	11.7 **
Recipient of AFDC 36 of past 60 months	26.3	18.1 ***
Youngest child age 16 or over	0.8	0.8
Imputed time limit[d] (%)		
24-month clock	58.5	65.6 ***
36-month clock	41.5	34.4 ***
Housing status		
Current housing status (%)		
Public housing	6.6	5.0 **
Subsidized housing	15.0	12.7 **
Emergency or temporary housing	5.0	12.1 ***
None of the above	73.4	70.3 **
Number of moves in the past 2 years (%)		
None	29.5	26.0 **
1 or 2	49.6	52.7 **
3 or more	20.9	21.3

(continued)

Appendix Table A.1 (continued)

Characteristic	Randomly Assigned May-Dec. 1994 (Report Sample)	Randomly Assigned Jan. 1995-Aug. 1996
Current and recent education and training activities		
Currently enrolled in education or training[c] (%)		
Any type	17.8	13.8 ***
GED preparation[b]	3.2	1.3 ***
English as a Second Language	0.1	0.0
Adult Basic Education	1.9	1.4
Vocational education/skills training	3.8	3.9
Post-secondary education	5.8	4.6 *
Job search/job club	2.4	1.9
Work experience	0.6	0.4
High school	0.7	0.6
Enrolled in education or training during the past 12 months[c] (%)		
Any type	23.4	19.5 ***
GED preparation[b]	4.7	2.6 ***
English as a Second Language	0.2	0.0 **
Adult Basic Education	2.1	1.9
Vocational education/skills training	5.4	6.2
Post-secondary education	5.7	5.8
Job search/job club	4.6	2.1 ***
Work experience	1.1	0.6 *
High school	1.1	1.0
Sample size (total = 4,273)	2,119	2,154

SOURCE: MDRC calculations from Background Information Forms for single-parent cases randomly assigned from May 1994 through August 1996.

NOTES: A total of 294 sample members whose Background Information Forms were missing are not included in the table.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Sample members with no children were pregnant with their first child at random assignment.

[b]The GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d] Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

[e]Because some sample members may be in more than one category, totals may not equal all categories summed.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Appendix Table A.2

Florida's Family Transition Program
Escambia County

Selected Characteristics of the Report Sample at the Time of Random Assignment, by Subgroups Defined by Their AFDC Time Limit

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
Demographic characteristic		
Gender (%)		
Female	95.2	99.1 ***
Male	4.8	0.9 ***
Age (%)		
Under 20	3.6	13.3 ***
20-24	17.3	34.8 ***
25-34	52.7	35.1 ***
35-44	22.9	14.2 ***
45 and over	3.6	2.6
Average age (years)	30.4	27.4 ***
Ethnicity (%)		
White, non-Hispanic	52.5	36.7 ***
Black, non-Hispanic	44.3	60.5 ***
Hispanic	1.4	1.0
Other	1.9	1.7
Family status		
Marital status (%)		
Never married	38.4	60.7 ***
Married, living with spouse	1.3	0.7
Married, living apart	31.4	16.5 ***
Separated	5.5	4.2
Divorced	22.6	17.0 ***
Widowed	0.8	0.9
Number of children (%)		
None[a]	2.2	1.6
One	41.7	39.4
Two	30.7	27.8
Three	17.4	18.0
Four or more	7.9	13.3 ***
Average number of children	1.9	2.1 ***
Age of youngest child (%)		
2 years and under	36.4	49.9 ***
3-5 years	26.6	24.8
6 years and over	37.0	25.4 ***

(continued)

Appendix Table A.2 (continued)

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
Work history		
Ever worked (%)	94.4	86.8 ***
Ever worked full time for 6 months or more for one employer (%)	70.8	45.7 ***
Any earnings in past 12 months (%)	53.3	38.5 ***
Approximate earnings in past 12 months (%)		
None	46.8	61.5 ***
$1-$999	17.1	21.5 **
$1,000-$4,999	18.7	11.9 ***
$5,000-$9,999	11.0	4.3 ***
$10,000 or more	6.4	0.8 ***
Current employment status		
Work status this month (%)		
Currently employed	20.8	13.2 ***
Looking for full-time work	36.2	34.9
Looking for part-time work	8.0	12.9 ***
Not looking for work	34.7	38.9
Have a job, but not working now	0.3	0.1
Among those currently employed, average hourly wage ($)	5.25	4.63 ***
Among those currently employed, average hours worked per week (%)		
1-19	21.5	29.2
20-29	25.9	42.5 ***
30 or more	48.2	25.7
Educational status		
Highest degree/diploma earned (%)		
GED[b]	10.6	10.0
High school diploma	48.9	37.3 ***
Technical/2-year college degree	7.1	2.1 ***
4-year (or more) college degree	1.6	0.1 ***
None of the above	31.7	50.5 ***
Highest grade completed in school (average)	11.2	10.9 ***

(continued)

Appendix Table A.2 (continued)

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
Public assistance status		
Aid status (%)		
Applicant	62.2	48.6 ***
Recipient	37.8	51.4 ***
Total prior AFDC receipt[c] (%)		
None	18.8	4.8 ***
Less than 4 months	7.8	2.5 ***
4 months or more but less than 1 year	20.5	10.8 ***
1 year or more but less than 2 years	16.2	11.0 ***
2 years or more but less than 5 years	20.4	30.8 ***
5 years or more but less than 10 years	11.4	24.7 ***
10 years or more	4.9	15.5 ***
Resided as a child in a household receiving AFDC (%)		
Yes, aid received 5 years or more	8.1	19.1 ***
Yes, aid received less than 5 years	5.3	9.7 ***
No	81.6	66.3 ***
Don't know	4.8	4.9
Project Independence target group status		
In Project Independence target group (%)		
Parent under age 24, no high school diploma/GED	0.0	23.9
Parent under age 24, limited work experience	0.0	26.1
Recipient of AFDC 36 of past 60 months	0.0	66.1
Youngest child age 16 or over	1.1	0.3
Imputed time limit[d] (%)		
24-month clock	100.0	0.0
36-month clock	0.0	100.0
Housing status		
Current housing status (%)		
Public housing	4.6	9.5 ***
Subsidized housing	11.1	20.6 ***
Emergency or temporary housing	6.7	2.8 ***
None of the above	77.7	67.1 ***
Number of moves in the past 2 years (%)		
None	28.4	31.4
1 or 2	52.3	45.5 ***
3 or more	19.2	23.1 **

(continued)

Appendix Table A.2 (continued)

Characteristic	Sample Members with a 24-Month Time Limit (Imputed)	Sample Members with a 36-Month Time Limit (Imputed)
Current and recent education and training activities		
Currently enrolled in education or training[c] (%)		
Any type	14.2	22.8 ***
GED preparation[b]	1.7	5.3 ***
English as a Second Language	0.1	0.1
Adult Basic Education	0.9	3.2 ***
Vocational education/skills training	4.2	3.1
Post-secondary education	5.5	6.2
Job search/job club	1.6	3.5 ***
Work experience	0.7	0.5
High school	0.3	1.3 **
Enrolled in education or training during the past 12 months[c] (%)		
Any type	15.9	33.9 ***
GED preparation[b]	2.0	8.5 ***
English as a Second Language	0.2	0.3
Adult Basic Education	1.0	3.7 ***
Vocational education/skills training	4.8	6.1
Post-secondary education	5.2	6.2
Job search/job club	2.4	7.8 ***
Work experience	0.7	1.7 **
High school	0.3	2.2 ***
Sample size (total = 2,108)	1,234	874

SOURCE: MDRC calculations from Background Information Forms for single-parent cases randomly assigned from May 1994 through December 1994.

NOTES: Sample sizes for subgroups do not add to the full sample size because of missing data. Therefore, the weighted averages of the percentages of the subgroups within a characteristic do not equal the percentages for the full sample.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Sample members with no children were pregnant with their first child at random assignment.

[b]The GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

[e]Because some sample members may be in more than one category, totals may not equal all categories summed.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Appendix Table A.3

Florida's Family Transition Program
Escambia County

Selected Characteristics of the Report Sample at the Time of Random Assignment, by Subgroups Defined by the Age of the Youngest Child

Characteristic	Sample Members Whose Youngest Child Was Less Than 3 Years of Age	Sample Members Whose Youngest Child Was 3 Years of Age or Older
Demographic characteristic		
Gender (%)		
Female	97.9	96.0 **
Male	2.1	4.0 **
Age (%)		
Under 20	16.0	1.3 ***
20-24	42.7	11.8 ***
25-34	33.0	54.3 ***
35-44	8.3	27.3 ***
45 and over	0.1	5.3 ***
Average age (years)	24.9	32.1 ***
Ethnicity (%)		
White, non-Hispanic	43.8	47.7 *
Black, non-Hispanic	53.9	49.0 **
Hispanic	0.5	1.8 ***
Other	1.8	1.6
Family status		
Marital status (%)		
Never married	60.5	37.9 ***
Married, living with spouse	0.8	1.1
Married, living apart	23.5	27.0 *
Separated	5.0	5.0
Divorced	9.7	28.0 ***
Widowed	0.5	1.1
Number of children (%)		
None[a]	0.0	0.0
One	41.9	41.8
Two	27.9	31.5 *
Three	16.9	18.7
Four or more	13.3	8.1 ***
Average number of children	2.1	2.0 ***
Age of youngest child (%)		
2 years and under	100.0	0.0
3-5 years	0.0	44.6
6 years and over	0.0	55.4

(continued)

Appendix Table A.3 (continued)

Characteristic	Sample Members Whose Youngest Child Was Less Than 3 Years of Age	Sample Members Whose Youngest Child Was 3 Years of Age or Older
Work history		
Ever worked (%)	88.8	93.6 ***
Ever worked full-time for 6 months or more for one employer (%)	49.1	68.9 ***
Any earnings in past 12 months (%)	41.8	51.3 ***
Approximate earnings in past 12 months (%)		
None	58.2	48.8 ***
$1-$999	19.2	18.2
$1,000-$4,999	13.6	17.8 **
$5,000-$9,999	6.9	9.5 **
$10,000 or more	2.1	5.8 ***
Current employment status		
Work status this month (%)		
Currently employed	16.2	18.8
Looking for full-time work	34.7	36.7
Looking for part-time work	11.7	8.8 **
Not looking for work	37.3	35.3
Have a job, but not working now	0.1	0.3
Among those currently employed, average hourly wage ($)	4.76	5.19 **
Among those currently employed, average hours worked per week (%)		
1-19	25.9	22.6
20-29	29.5	31.2
30 or more	43.2	40.7
Educational status		
Highest degree/diploma earned (%)		
GED[b]	8.3	11.8 **
High school diploma	46.2	43.1
Technical/2-year college degree	3.7	6.0 **
4-year (or more) college degree	0.7	1.3
None of the above	41.1	37.8
Highest grade completed in school (average)	11.1	11.0

(continued)

Appendix Table A.3 (continued)

Characteristic	Sample Members Whose Youngest Child Was Less Than 3 Years of Age	Sample Members Whose Youngest Child Was 3 Years of Age or Older	
Public assistance status			
Aid status (%)			
Applicant	57.5	56.3	
Recipient	42.5	43.8	
Total prior AFDC receipt[c] (%)			
None	12.9	13.0	
Less than 4 months	5.4	5.8	
4 months or more but less than 1 year	20.1	14.0	***
1 year or more but less than 2 years	16.3	12.2	***
2 years or more but less than 5 years	27.5	22.8	**
5 years or more but less than 10 years	14.7	18.6	**
10 years or more	3.2	13.6	***
Resided as a child in a household receiving AFDC (%)			
Yes, aid received 5 years or more	15.1	11.1	***
Yes, aid received less than 5 years	8.3	6.3	*
No	71.4	78.0	***
Don't know	5.2	4.5	
Project Independence target group status			
In Project Independence target group (%)			
Parent under age 24, no high school diploma/GED	17.0	4.7	***
Parent under age 24, limited work experience	19.8	4.4	***
Recipient of AFDC 36 of past 60 months	24.0	30.0	***
Youngest child age 16 or over	0.1	1.3	***
Imputed time limit[d] (%)			
24-month clock	50.8	62.7	***
36-month clock	49.2	37.2	***
Housing status			
Current housing status (%)			
Public housing	8.0	5.6	**
Subsidized housing	14.3	15.7	
Emergency or temporary housing	4.3	5.4	
None of the above	73.4	73.2	
Number of moves in the past 2 years (%)			
None	24.3	33.6	***
1 or 2	52.0	47.6	**
3 or more	23.7	18.9	***

(continued)

Appendix Table A.3 (continued)

Characteristic	Sample Members Whose Youngest Child Was Less Than 3 Years of Age	Sample Members Whose Youngest Child Was 3 Years of Age or Older
Current and recent education and training activities		
Currently enrolled in education or training[c] (%)		
Any type	15.4	19.8 ***
GED preparation[b]	3.6	2.9
English as a Second Language	0.0	0.2
Adult Basic Education	1.4	2.2
Vocational education/skills training	3.2	4.2
Post-secondary education	4.9	6.5
Job search/job club	1.2	3.4 ***
Work experience	0.2	0.8 *
High school	1.4	0.2 ***
Enrolled in education or training during the past 12 months[c] (%)		
Any type	20.2	26.1 ***
GED preparation[b]	4.5	4.8
English as a Second Language	0.2	0.3
Adult Basic Education	1.7	2.4
Vocational education/skills training	6.0	5.1
Post-secondary education	4.7	6.6 *
Job search/job club	1.7	6.8 ***
Work experience	0.2	1.8 ***
High school	1.8	0.4 ***
Sample size (total = 2,077)	877	1,200

SOURCE: MDRC calculations from Background Information Forms for single-parent cases randomly assigned from May 1994 through December 1994.

NOTES: Sample sizes for subgroups do not add to the full sample size because of missing data. Therefore, the weighted averages of the percentages of the subgroups within a characteristic do not equal the percentages for the full sample.

Invalid or missing values are not included in individual variable distributions.

Rounding may cause slight discrepancies in the calculation of sums and differences.

[a]Sample members with no children were pregnant with their first child at random assignment.

[b]The GED credential is given to those who pass the GED test and is intended to signify knowledge of basic high school subjects.

[c]This refers to the total number of months accumulated from one or more periods on an individual's own or spouse's AFDC case. It does not include AFDC receipt under a parent's name.

[d]Sample members are imputed to have a 36-month time limit for the purpose of this analysis if they: received AFDC for 36 of the 60 months prior to enrollment in FTP; or were under 24 years old and did not have a high school diploma or GED; or were 24 years old and had worked fewer than three months in the year prior to enrollment in FTP. Otherwise, sample members were imputed to have a 24-month time limit.

[e]Because some sample members may be in more than one category, totals may not equal all categories summed.

A two-tailed t-test was applied to differences between subgroups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Appendix B

Items Used to Create Scales for the Staff Survey Responses

Below is an enumeration of items used in the creation of the scales presented in Chapter 3. All the items were taken from surveys of program staff conducted by MDRC. The numbers and letters before each item refer to its location in the questionnaires.

Unless otherwise noted, item responses were based on a 7-point metric ranging from low (1) to high (7). The response categories are in parentheses following each item unless otherwise noted.

Factor analysis was conducted to determine meaningful scale components. Only items that loaded .50 and above on a factor were utilized in the scales.

Cronbach's Alpha calculation, a statistical measure of a scale's reliability, was conducted on each factor-based scale. Coefficient alphas of .60 or above are generally considered acceptable.[1] The alphas ranged from .83 to .93 for the scales created from the FTP staff survey data.

Items for which respondents indicated "don't know" or "refused" were recoded to a missing value. Missing values were replaced with the mean of the non-missing values for a scale. Cases missing more than three responses on a nine-item scale, or two responses on a six- to eight-item scale, or one response on a three- to five-item scale, were assigned a missing value for their score on that scale.

Scale scores were created by summing the values of the number of items in each scale. To facilitate report readability, each mean scale score was divided by the number of items summed to approximate the original metric of the items used to construct the scale. Next, variables with scores that indicated high, medium, and low on the scale were also created from the scale variables. Zero-one variables were then created from the three category scale variables to indicate the proportion of staff that had high and low scores on the scales.

I. Scales created for Figure 3.1: Frequency of Contact and Level of Personal Attention in the Family Transition Program and Traditional AFDC

A. Percent of workers who try to learn in depth about clients' backgrounds, problems, and motivation:
Cronbach's Alpha = .93
The scale was created from the following items:

E2. From the time a client first appears at your agency to the time an activity (such as job search or education) is approved for that client, how much effort do ***you*** make: (From Little Effort to A Great Deal of Effort)
- a. To learn about the client's educational and work history ***in depth***?
- b. To learn about the problems that led the client to be on welfare ***in depth***?
- c. To learn about the client's goals and motivation to work ***in depth***?

B. Percent of workers who provide specific kinds of encouragement and positive reinforcement to clients:
Cronbach's Alpha = .85
The scale was created from the following items:

D5. Do your managers and supervisors think it is not important or very important for case managers to develop personalized relationships with their clients? (From Not Important to Very Important)

D6. Suppose a client is about to go on a job interview. How likely is it that you would contact the client before the interview to provide encouragement? (From Very Unlikely to Very Likely)

D7. Suppose a client is about to take a GED exam. How likely is it that you would contact the client before the exam to provide encouragement? (From Very Unlikely to Very Likely)

II. Scales created for Figure 3.2: Emphasis on Client Assistance, Employment, and Self-Sufficiency in the Family Transition Program and Traditional AFDC

A. Percent of workers who address specific employment and self-sufficiency issues at intake interviews:
Cronbach's Alpha = .87
The scale was created from the following items:

C2. How would you describe your individual presentation of these issues to a new client: As a brief introduction **OR** As a more detailed presentation? (Issues include how much of her welfare benefits the

[1]See Hatcher, 1994, p. 137.

client can keep if she goes to work, how the FTP time limit works, the transitional benefits that the client can receive if she leaves welfare for work, and how clients can pay for child care and transportation if they work or go to school while on welfare.) (From Brief Introduction to More Detailed)

C3. When you are working with a new client, how often do you:

a. Give examples of how much additional income she would have if she worked (for example, by developing a budget with the client) (From Never or Very Rarely to Often)
b. Do you discuss whether going to work now or going to school or training now would be a better choice for the client? (From Unlikely to Discuss to Very Likely to Discuss)
c. Do you ask the client if she is ready to alter her family situation to permit her to work part time or full time? (From Never or Very Rarely to Often)

B. Percent of workers who address specific employment and self-sufficiency issues during redetermination interviews:

Cronbach's Alpha = .83

The scale was created from the following items:

C5a. During a typical redetermination interview, do you ask what plans the client has for becoming self-sufficient? (From Unlikely to Ask to Very Likely to Ask)

C5c. During a typical redetermination interview, do you probe to see whether there are problems that may be preventing the client from becoming more self-sufficient? (From Never or Very Rarely to Often)

C6. During a redetermination interview, do you usually have available records to indicate how the client is progressing in her employment and training activities? (From Records Usually Not Available to Records Usually Available)

C. Percent of workers who address specific employment and self-sufficiency issues in general discussions with clients:

Cronbach's Alpha = .88

The scale was created from the following items:

Suppose that the next 10 clients that you happen to have in-person or telephone conversations with (for whatever reason) are not working:

D9a. In how many of these 10 conversations would you talk to the client about looking for work?

D9b. In how many of these 10 conversation would you talk to the client about how much of her welfare benefits she could keep if she went to work?

D9d. Suppose the client is not participating in an employment-related activity. In how many, out of 10 conversations, would you talk to the client about starting an activity?

III. Other Items in Figure 3.1: Frequency of Contact and Level of Personal Attention in the Family Transition Program and Traditional AFDC

A. Percent of workers who would have at least monthly contact (in person or by telephone) with an average client on their caseload six months:

D2. Suppose an average client has been on your caseload for six months and is attending a PI activity. How often are you likely to have conversations (either in person or by telephone) with this client? (From At Least Once Every Week to At Least Once a Year or Less Often)

IV. Other Items in Figure 3.2: Emphasis on Client Assistance, Employment, and Self-Sufficiency in the Family Transition Program and Traditional AFDC

A. Average percent of work time spent on client assistance work (as opposed to financial work):

A3. What percentage of your work time would you estimate is spent on client assistance work?

(Percentages range from 5 percent or less to 80 percent or more.)

V. Items in Figure 3.3: How Family Transition Program Case Managers and Project Independence Career Advisors Discuss the FTP Time Limit

A. Percent of workers who "often" try to motivate clients by mentioning when they will reach the time limit:

F19. How often do you try to motivate clients by mentioning when they will reach the time limit? (From Rarely to Often)

B. Percent of workers who "often" tell clients that if they cooperate with FTP, the program will ensure that they get a job by the time they reach the time limit:

F5. Do you tell clients that if they cooperate with FTP, the program will ensure that they get a job by the time they reach their time limit? (From Never or Very Rarely to Often)

C. Percent of workers who are "very likely" to tell a new FTP client about extensions of the time limit:

F2. When discussing FTP with *new* clients, how likely are you to tell them about extensions of the time limit? (From Very Unlikely to Discuss to Very Likely to Discuss)

D. Percent of workers who report that reminding a client about the time limit is a "very effective" way to increase motivation:

F18. Suppose an FTP client seems uninterested in becoming more self-sufficient. Is reminding the client about the time limit an ineffective or an effective way to increase her motivation? (From Ineffective to Very Effective)

Appendix C

Supplemental Tables and Figures to Chapter 4

Appendix Table C.1

Florida's Family Transition Program
Escambia County

15- to 18-Month Impacts on Employment, Earnings, AFDC Receipt, AFDC Payments, Food Stamp Receipt, and Value of Food Stamps Received

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Ever employed (%)				
Quarters 2-5	61.7	59.2	2.5	4.3
Quarters 2-6	66.1	61.9	4.2 **	6.8
Quarter of random assignment	37.3	34.9	2.4	7.0
Quarter 2	37.5	37.7	-0.2	-0.6
Quarter 3	41.0	40.1	0.9	2.3
Quarter 4	44.8	39.9	4.9 **	12.4
Quarter 5	45.9	40.9	5.0 **	12.1
Quarter 6	45.7	39.6	6.1 ***	15.4
Quarter 7	—	—	—	—
Average quarterly employment rate (%)				
Quarters 2-5	42.3	39.7	2.7 *	6.7
Quarters 2-6	43.0	39.6	3.3 **	8.4
Average total earnings ($)				
Quarters 2-5	2,844	2,522	322 **	12.8
Quarters 2-6	3,721	3,230	491 ***	15.2
Quarter of random assignment	452	425	26	6.2
Quarter 2	528	541	-13	-2.3
Quarter 3	684	612	72 *	11.8
Quarter 4	782	660	122 ***	18.5
Quarter 5	850	709	140 ***	19.8
Quarter 6	877	708	169 ***	23.9
Quarter 7	—	—	—	—
Average earnings per quarter employed ($)[a]				
Quarters 2-5	*1,681*	*1,590*	*91*	*5.7*
Quarters 2-6	*2,164*	*2,037*	*127*	*6.2*
Annual earnings, quarters 2-6				
None	33.9	38.1	-4.2 **	-11.1
$1-$1,999	22.4	22.0	0.4	1.8
$2,000-$4,999	15.8	15.5	0.3	2.0
$5,000-$9,999	15.4	14.2	1.3	9.0
$10,000-$19,999	10.6	9.1	1.5	16.7
$20,000 or more	1.8	1.1	0.7	64.1
If employed:[a]				
$1-$1,999	*33.9*	*35.6*	*-1.7*	*-4.7*
$2,000-$4,999	*23.9*	*25.0*	*-1.1*	*-4.5*
$5,000-$9,999	*23.4*	*22.9*	*0.5*	*2.1*
$10,000-$19,999	*16.1*	*14.7*	*1.4*	*9.2*
$20,000 or more	*2.8*	*1.8*	*1.0*	*53.6*

(continued)

Appendix Table C.1 (continued)

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Ever received any AFDC payments (%)				
Quarters 2-6	81.4	81.7	-0.3	-0.4
Quarters 2-5	80.9	81.3	-0.4	-0.5
Quarters 6-7	53.2	52.2	1.0	1.8
Quarter of random assignment	77.5	74.9	2.5 *	3.4
Quarter 2	77.7	76.5	1.1	1.5
Quarter 3	69.6	67.3	2.3	3.4
Quarter 4	59.6	58.5	1.1	1.9
Quarter 5	55.3	54.0	1.2	2.3
Quarter 6	50.3	49.4	0.9	1.9
Quarter 7	45.9	46.7	-0.8	-1.7
Average number of months receiving AFDC payments				
Quarters 2-6	8.5	8.3	0.2	2.1
Quarters 2-5	7.2	7.0	0.2	2.4
Quarters 6-7	2.6	2.6	0.0	-0.6
Average total AFDC payments received ($)				
Quarters 2-6	2,311	2,363	-52	-2.2
Quarters 2-5	1,958	1,989	-32	-1.6
Quarters 6-7	675	719	-44	-6.1
Quarter of random assignment	557	536	21 *	3.9
Quarter 2	606	594	12	2.0
Quarter 3	518	525	-6	-1.2
Quarter 4	442	450	-8	-1.9
Quarter 5	392	420	-29 *	-6.8
Quarter 6	353	374	-21	-5.6
Quarter 7	322	345	-23	-6.7
Average AFDC payment received per month[a] ($)				
Quarters 2-6	*271*	*283*	*-12*	*-4.3*
Quarters 2-5	*273*	*284*	*-11*	*-3.9*
Quarters 6-7	*263*	*278*	*-15*	*-5.6*
Ever received any Food Stamps (%)				
Quarters 2-6	89.1	89.3	-0.2	-0.2
Quarters 2-5	88.6	88.9	-0.4	-0.4
Quarters 6-7	66.4	67.5	-1.1	-1.7
Quarter of random assignment	86.8	84.7	2.1	2.5
Quarter 2	85.9	86.6	-0.8	-0.9
Quarter 3	78.0	78.0	0.0	0.0
Quarter 4	71.1	71.2	-0.1	-0.2
Quarter 5	67.7	68.1	-0.4	-0.6
Quarter 6	63.9	64.9	-1.0	-1.6
Quarter 7	60.3	61.4	-1.1	-1.9

(continued)

Appendix Table C.1 (continued)

Outcome	Program Group	Control Group	Difference (Impact)	Percentage Change
Average number of months receiving Food Stamps (%)				
Quarters 2-6	10.1	10.2	-0.1	-0.8
Quarters 2-5	8.4	8.4	-0.1	-0.9
Quarters 6-7	3.4	3.5	0.0	-1.4
Average total value of Food Stamps received ($)				
Quarters 2-6	2,531	2,767	-235 ***	-8.5
Quarters 2-5	2,100	2,284	-184 ***	-8.1
Quarters 6-7	843	940	-97 ***	-10.3
Quarter of random assignment	568	576	-8	-1.4
Quarter 2	616	657	-41 ***	-6.2
Quarter 3	542	584	-42 ***	-7.2
Quarter 4	489	524	-35 **	-6.7
Quarter 5	453	519	-66 ***	-12.7
Quarter 6	431	483	-51 ***	-10.7
Quarter 7	412	457	-46 ***	-10.0
Average Food Stamp payment received per month[a] ($)				
Quarters 2-6	*250*	*271*	*-21*	*-7.8*
Quarters 2-5	*251*	*270*	*-20*	*-7.2*
Quarters 6-7	*247*	*272*	*-25*	*-9.1*
Sample size (total = 2,176)	1,087	1,089		

SOURCES: MDRC calculations from Florida Unemployment Insurance (UI) earnings records, AFDC records, and Food Stamp records.

NOTES: Dollar averages include zero values for sample members who were not employed or were not receiving AFDC or Food Stamps. Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in the calculation of sums and differences.

Quarter 1 refers to the calendar quarter in which random assignment occurred. Because quarter 1 may have contained some earnings, AFDC payments, or Food Stamp receipt from the period prior to the random assignment date, it was excluded from the summary measures of outcomes.

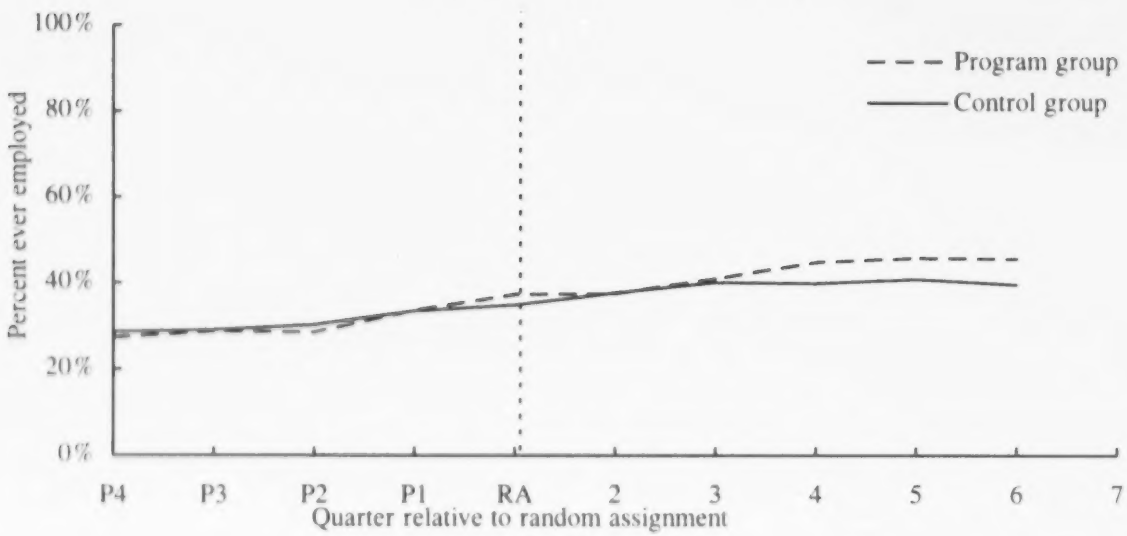
A two-tailed t-test was applied to differences between program and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

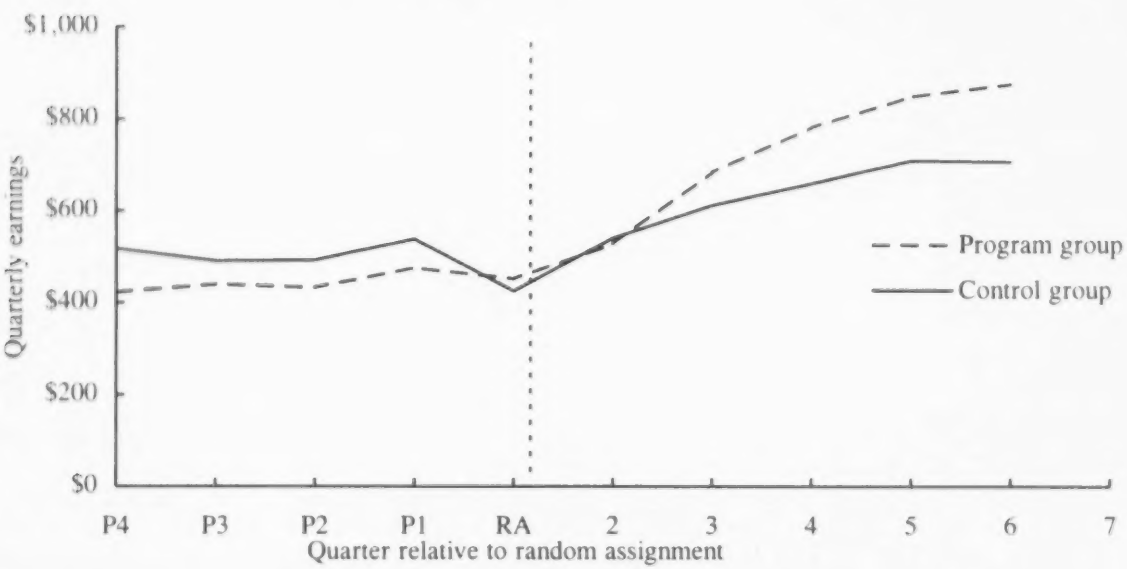
A dash indicates that the data were not available in time to be included in this report.

[a]Italics indicate non-experimental comparison; statistical tests were not performed.

Appendix Figure C.1
Florida's Family Transition Program
Escambia County

Average Quarterly Employment and Earnings of the Program and Control Groups

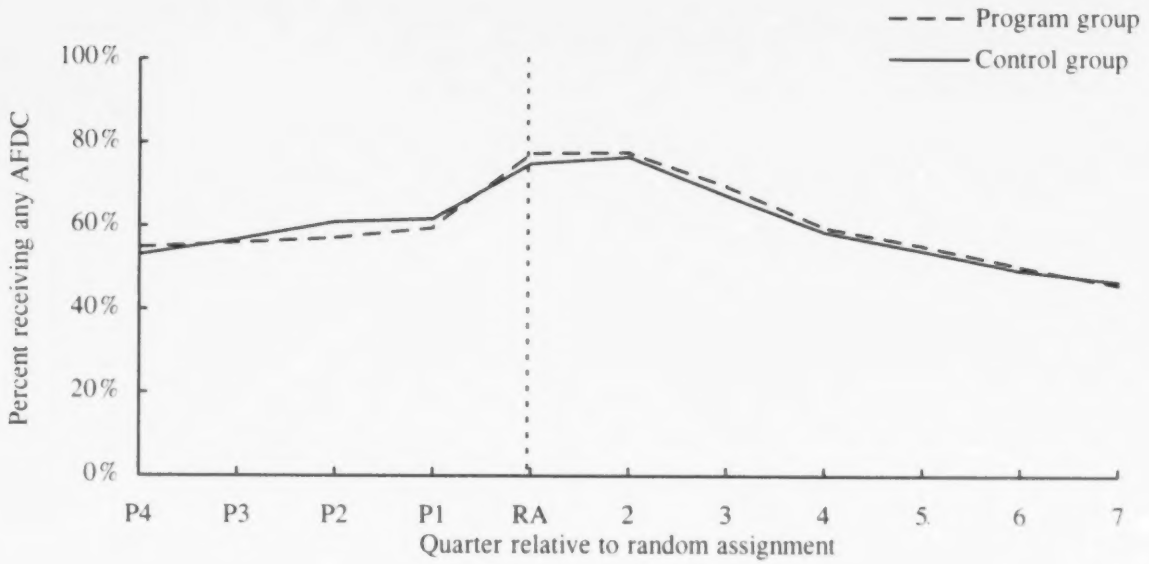


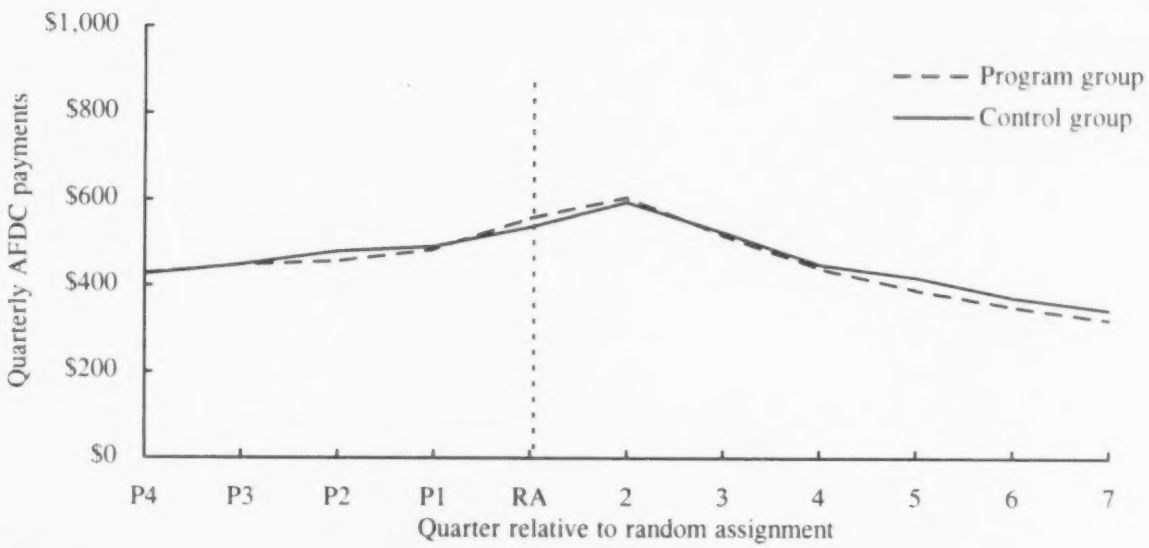


SOURCE: MDRC calculations from Florida Unemployment Insurance (UI) earnings records.
NOTES: RA refers to the calendar quarter in which random assignment occurred.
P refers to the calendar quarter prior to random assignment.

Appendix Figure C.2
Florida's Family Transition Program
Escambia County

Average Quarterly AFDC Receipt and Payments to the Program and Control Groups



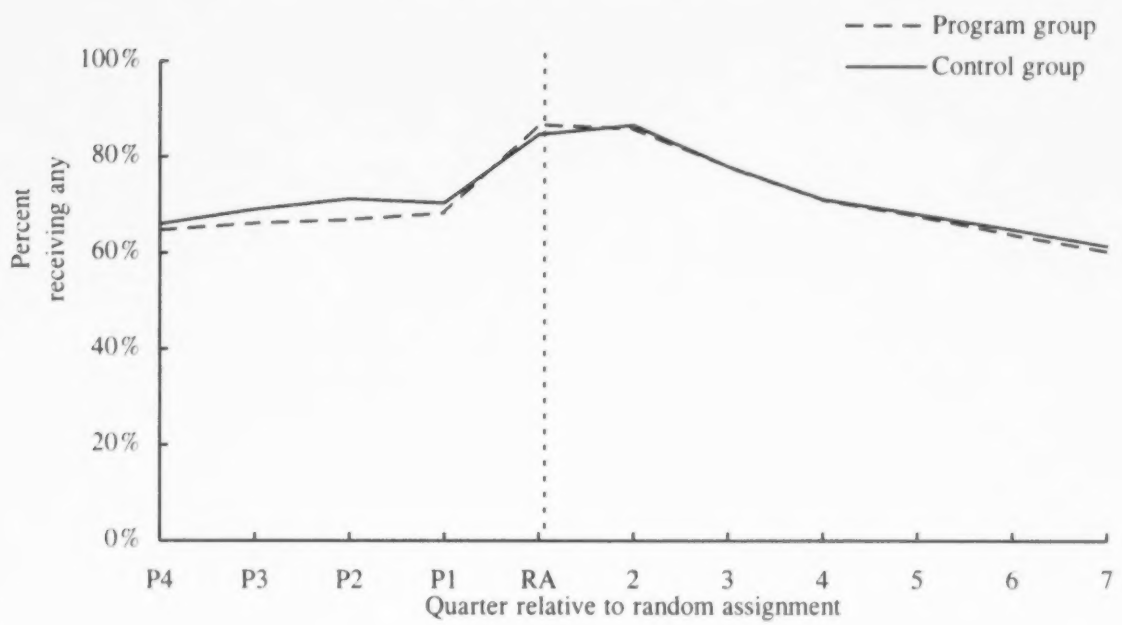


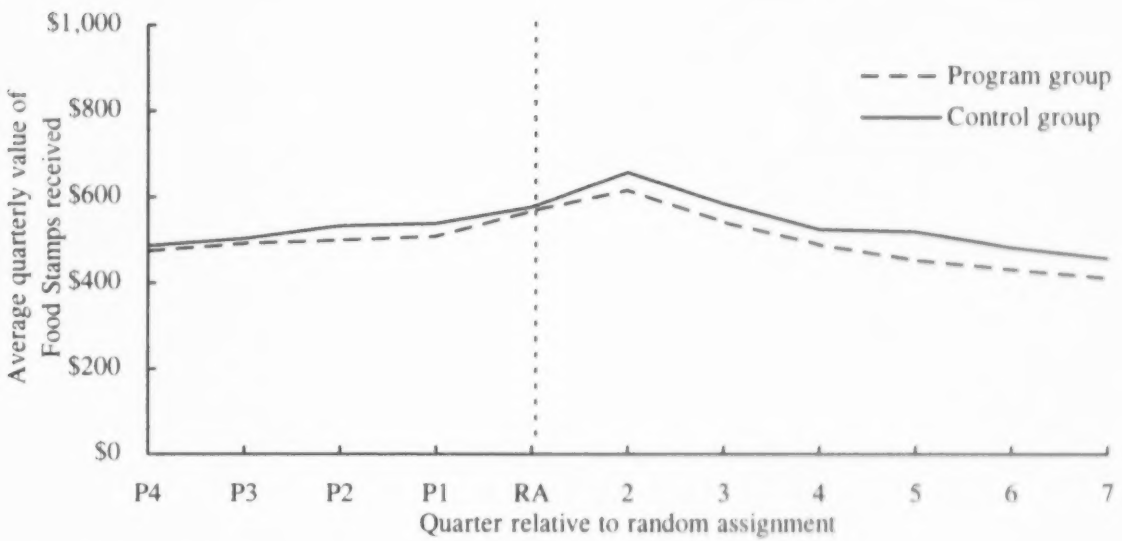
SOURCE: MDRC calculations from Florida AFDC records.

NOTES: RA refers to the calendar quarter in which random assignment occurred.
P refers to the calendar quarter prior to random assignment.

Appendix Figure C.3
Florida's Family Transition Program
Escambia County

Average Quarterly Food Stamp Receipt and Value of Food Stamps Received by the Program and Control Groups





SOURCE: MDRC calculations from Florida Food Stamp records.

NOTES: RA refers to the calendar quarter in which random assignment occurred.
P refers to the calendar quarter prior to random assignment.

References

Bane, Mary Jo, and David T. Ellwood. 1994. *Welfare Realities: From Rhetoric to Reform*. Cambridge, Mass.: Harvard University Press.

Bloom, Dan. 1995. *The Family Transition Program: An Early Implementation Report on Florida's Time-Limited Welfare Initiative*. New York: Manpower Demonstration Research Corporation.

Florida Department of Health and Rehabilitative Services. n.d. *Family Transition Program Instructional Handbook*. Tallahassee, Fla.: Department of Health and Rehabilitative Services.

Freedman, Stephen, and Daniel Friedlander. 1995. *The JOBS Evaluation: Early Findings on Program Impacts in Three Sites*. Washington, D.C.: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation.

Greenberg, Mark, Steve Savner, and Rebecca Swartz. 1996. *Limits on Limits: State and Federal Policies on Welfare Time Limits*. Washington, D.C.: Center for Law and Social Policy.

Hatcher, Larry. 1994. *Step-by-Step Approach to Using the SAS® System for Factor Analysis and Structural Equation Modeling*. Cary, N.C.: SAS Institute, Inc.

Herr, Toby, Robert Halpern, and Aimee Conrad. 1991. *Changing What Counts: Rethinking the Journey Out of Welfare*. Evanston, Ill.: Center for Urban Affairs and Policy Research, Northwestern University.

Hershey, Alan M., and Stuart Kerachsky. 1995. *Leaving Welfare for Work: Lessons on Helping AFDC Recipients Keep Jobs*. Princeton, N.J.: Mathematica Policy Research.

Kemple, James J., Daniel Friedlander, and Veronica Fellerath. 1995. *Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program*. New York: Manpower Demonstration Research Corporation.

Pavetti, LaDonna. 1995. "Who Is Affected by Welfare Time Limits?" *Welfare Reform Briefs*, No. 7. Washington, D.C.: Urban Institute.

Riccio, James, Daniel Friedlander, and Stephen Freedman. 1994. *GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program*. New York: Manpower Demonstration Research Corporation.

Selected Publications on MDRC Projects

Reforming Welfare

Books and Monographs

Reforming Welfare with Work (Ford Foundation). Monograph. 1987. Judith M. Gueron. A review of welfare-to-work initiatives in five states.

From Welfare to Work (Russell Sage Foundation). Book. 1991. Judith M. Gueron, Edward Pauly. A synthesis of research findings on the effectiveness of welfare-to-work programs. Chapter 1, which is the summary of the book, is also published separately by MDRC.

Five Years After: The Long-Term Effects of Welfare-to-Work Programs (Russell Sage Foundation). Book. 1995. Daniel Friedlander, Gary Burtless. An analysis of five-year follow-up data on four welfare-to-work programs.

After AFDC: Welfare-to-Work Choices and Challenges for States. Book. 1997. Dan Bloom. A summary and synthesis of lessons derived from studies of welfare reform programs.

ReWORKing Welfare: Technical Assistance for States and Localities

After AFDC: Welfare-to-Work Choices and Challenges for States. See under Books and Monographs.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.

Working Papers

Working Papers related to a specific project are listed under that project.

Learning from the Voices of Mothers: Single Mothers' Perceptions of the Trade-offs Between Welfare and Work. 1993. LaDonna Pavetti.

Unpaid Work Experience for Welfare Recipients: Findings and Lessons from MDRC Research. 1993. Thomas Brock, David Butler, David Long.

From Welfare to Work Among Lone Parents in Britain: Lessons for America. 1996. James Riccio.

Papers for Practitioners

Assessing JOBS Participants: Issues and Trade-offs. 1992. Patricia Auspos, Kay Sherwood.

Linking Welfare and Education: A Study of New Programs in Five States. 1992. Edward Pauly, David Long, Karin Martinson.

Improving the Productivity of JOBS Programs. 1993. Eugene Bardach.

Reports and Other Publications

Time-Limited Welfare

Florida's Family Transition Program

A study of Florida's time-limited welfare program.

The Family Transition Program: An Early Implementation Report on Florida's Time-Limited Welfare Initiative. 1995. Dan Bloom.

Note: For works not published by MDRC, the publisher's name is shown in parentheses.

The Family Transition Program: Implementation and Early Impacts of Florida's Initial Time-Limited Welfare Program. 1997. Dan Bloom, James J. Kemple, Robin Rogers-Dillon.

The Cross-State Study of Time-Limited Welfare

An examination of the implementation of some of the first state-initiated time-limited welfare programs.

Implementing Time-Limited Welfare: Early Experiences in Three States. 1995. Dan Bloom, David Butler.

Making Work Pay

The Minnesota Family Investment Program (MFIP)

An evaluation of Minnesota's welfare reform initiative.

MFIP: An Early Report on Minnesota's Approach to Welfare Reform. 1995. Virginia Knox, Amy Brown, Winston Lin.

The New Hope Project

A test of a neighborhood-based antipoverty program and welfare alternative operating in Milwaukee.

The New Hope Offer: Participants in the New Hope Demonstration Discuss Work, Family, and Self-Sufficiency. 1996. Dudley Benoit.

Canada's Self-Sufficiency Project (SSP)

A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada. Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

Making Work Pay Better Than Welfare: An Early Look at the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1994. Susanna Lui-Gurr, Sheila Currie Vernon, Tod Mijanovich.

Creating an Alternative to Welfare: First-Year Findings on the Implementation, Welfare Impacts, and Costs of the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1995. Tod Mijanovich, David Long.

The Struggle for Self-Sufficiency: SSP Participants Talk About Work, Welfare, and Their Futures (Social Research and Demonstration Corporation). 1995. Wendy Bancroft, Sheila Currie Vernon.

Do Financial Incentives Encourage Welfare Recipients to Work? Initial 18-Month Findings from the Self-Sufficiency Project (Social Research and Demonstration Corporation). 1996. David Card, Philip Robins.

When Work Pays Better Than Welfare: A Summary of the Self-Sufficiency Project's Implementation, Focus Group, and Initial 18-Month Impact Reports. 1996. Social Research and Demonstration Corporation.

JOBS Programs

The JOBS Evaluation

An evaluation of welfare-to-work programs operating under the Job Opportunities and Basic Skills Training (JOBS) provisions of the Family Support Act of 1988.

From Welfare to Work (Russell Sage Foundation). See under Books and Monographs.

The Saturation Work Initiative Model in San Diego: A Five-Year Follow-up Study. 1993. Daniel Friedlander, Gayle Hamilton.

The JOBS Evaluation: Early Lessons from Seven Sites (U.S. Department of Health and Human Services [HHS]). 1994. Gayle Hamilton, Thomas Brock.

Five Years After: The Long-Term Effects of Welfare-to-Work Programs. See under Books and Monographs.

The JOBS Evaluation: Adult Education for People on AFDC—A Synthesis of Research. (U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation [HHS, ASPE]). 1995. Edward Pauly.

The JOBS Evaluation: Early Findings on Program Impacts in Three Sites (HHS, ASPE). 1995. Stephen Freedman, Daniel Friedlander.

The JOBS Evaluation: How Well Are They Faring? AFDC Families with Preschool-Aged Children in Atlanta at the Outset of the JOBS Evaluation (HHS, ASPE). 1995. Child Trends, Inc.: Kristin Moore, Martha Zaslow, Mary Jo Coiro, Suzanne Miller, Ellen Magenheim.

The JOBS Evaluation: Monthly Participation Rates in Three Sites and Factors Affecting Participation Levels in Welfare-to-Work Programs (HHS, ASPE). 1995. Gayle Hamilton.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.

The GAIN Evaluation

An evaluation of California's Greater Avenues for Independence (GAIN) Program, the state's JOBS program.

GAIN: Planning and Early Implementation. 1987. John Wallace, David Long.

GAIN: Child Care in a Welfare Employment Initiative. 1989. Karin Martinson, James Riccio.

GAIN: Early Implementation Experiences and Lessons. 1989. James Riccio, Barbara Goldman, Gayle Hamilton, Karin Martinson, Alan Orenstein.

GAIN: Participation Patterns in Four Counties. 1991. Stephen Freedman, James Riccio.

GAIN: Program Strategies, Participation Patterns, and First-Year Impacts in Six Counties. 1992. James Riccio, Daniel Friedlander.

GAIN: Two-Year Impacts in Six Counties. 1993. Daniel Friedlander, James Riccio, Stephen Freedman.

GAIN: Basic Education in a Welfare-to-Work Program. 1994. Karin Martinson, Daniel Friedlander.

GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program. 1994. James Riccio, Daniel Friedlander, Stephen Freedman.

Related Studies:

The Impacts of California's GAIN Program on Different Ethnic Groups: Two-Year Findings on Earnings and AFDC Payments. Working Paper. 1994. Daniel Friedlander.

Can They All Work? A Study of the Employment Potential of Welfare Recipients in a Welfare-to-Work Program. Working Paper. 1995. James Riccio, Stephen Freedman.

Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients. 1997. Evan Weissman.

The Evaluation of Florida's Project Independence

An evaluation of Florida's initial JOBS program.

Florida's Project Independence: Program Implementation, Participation Patterns, and First-Year Impacts. 1994. James Kemple, Joshua Haimson.

Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program. 1995. James Kemple, Daniel Friedlander, Veronica Fellerath.

Other Welfare Studies

The Saturation Work Initiative Model (SWIM)

A test of the feasibility and effectiveness of an ongoing participation requirement in a welfare-to-work, program.

Interim Report on the Saturation Work Initiative Model in San Diego. 1988. Gayle Hamilton.

Final Report on the Saturation Work Initiative Model in San Diego. 1989. Gayle Hamilton, Daniel Friedlander.

The Saturation Work Initiative Model in San Diego: A Five-Year Follow-up Study. 1993. Daniel Friedlander, Gayle Hamilton.

The Demonstration of State Work/Welfare Initiatives

A test of the feasibility and effectiveness of various state employment initiatives for welfare recipients.

Arizona: *Preliminary Management Lessons from the WIN Demonstration Program*. 1984. Kay Sherwood.

Arkansas: *Final Report on the WORK Program in Two Counties*. 1985. Daniel Friedlander, Gregory Hoerz, Janet Quint, James Riccio.

California: *Final Report on the San Diego Job Search and Work Experience Demonstration*. 1986. Barbara Goldman, Daniel Friedlander, David Long.

Illinois: *Final Report on Job Search and Work Experience in Cook County*. 1987. Daniel Friedlander, Stephen Freedman, Gayle Hamilton, Janet Quint.

Maine: *Final Report on the Training Opportunities in the Private Sector Program*. 1988. Patricia Auspos, George Cave, David Long.

Maryland: *Final Report on the Employment Initiatives Evaluation*. 1985. Daniel Friedlander, Gregory Hoerz, David Long, Janet Quint.

Supplemental Report on the Baltimore Options Program. 1987. Daniel Friedlander.

New Jersey: *Final Report on the Grant Diversion Project*. 1988. Stephen Freedman, Jan Bryant, George Cave.

Virginia: *Final Report on the Virginia Employment Services Program*. 1986. James Riccio, George Cave, Stephen Freedman, Marilyn Price.

West Virginia: *Final Report on the Community Work Experience Demonstrations*. 1986. Daniel Friedlander, Marjorie Erickson, Gayle Hamilton, Virginia Knox.

Other Reports on the Demonstration of State Work/Welfare Initiatives

Relationship Between Earnings and Welfare Benefits for Working Recipients: Four Area Case Studies. 1985. Barbara Goldman, Edward Cavin, Marjorie Erickson, Gayle Hamilton, Darlene Hasselbring, Sandra Reynolds.

Welfare Grant Diversion: Early Observations from Programs in Six States. 1985. Michael Bangser, James Healy, Robert Ivry.

A Survey of Participants and Worksite Supervisors in the New York City Work Experience Program. 1986. Gregory Hoerz, Karla Hanson.

Welfare Grant Diversion: Lessons and Prospects. 1986. Michael Bangser, James Healy, Robert Ivry.

Work Initiatives for Welfare Recipients: Lessons from a Multi-State Experiment. 1986. Judith Gueron.

The Subgroup/Performance Indicator Study

A study of the impacts of selected welfare-to-work programs on subgroups of the AFDC caseload.

A Study of Performance Measures and Subgroup Impacts in Three Welfare Employment Programs. 1987. Daniel Friedlander, David Long.

Subgroup Impacts and Performance Indicators for Selected Welfare Employment Programs. 1988. Daniel Friedlander.

The Self-Employment Investment Demonstration (SEID)

A test of the feasibility of operating a program to encourage self-employment among recipients of AFDC.*Self-Employment for Welfare Recipients: Implementation of the SEID Program*. 1991. Cynthia Guy, Fred Doolittle, Barbara Fink.

The WIN Research Laboratory Project

A test of innovative service delivery approaches in four Work Incentive Program (WIN) offices.

Impacts of the Immediate Job Search Assistance Experiment: Louisville WIN Research Laboratory Project. 1981. Barbara Goldman.

Welfare Women in a Group Job Search Program: Their Experiences in the Louisville WIN Research Laboratory Project. 1982. Joanna Gould-Stuart.

Job Search Strategies: Lessons from the Louisville WIN Laboratory. 1983. Carl Wolfhagen, Barbara Goldman.

Programs for Teenage Parents

The LEAP Evaluation

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Implementing a Welfare Initiative to Improve School Attendance Among Teenage Parents. 1991. Dan Bloom, Hilary Kopp, David Long, Denise Polit.

LEAP: Interim Findings on a Welfare Initiative to Improve School Attendance Among Teenage Parents. 1993. Dan Bloom, Veronica Fellerath, David Long, Robert Wood.

LEAP: The Educational Effects of LEAP and Enhanced Services in Cleveland. 1994. David Long, Robert Wood, Hilary Kopp.

LEAP: Three-Year Impacts of Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1996. David Long, Judith Gueron, Robert Wood, Rebecca Fisher, Veronica Fellerath.

The New Chance Demonstration

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

New Chance: Implementing a Comprehensive Program for Disadvantaged Young Mothers and Their Children. 1991. Janet Quint, Barbara Fink, Sharon Rowser.

Lives of Promise, Lives of Pain: Young Mothers After New Chance. Monograph. 1994. Janet Quint, Judith Musick, with Joyce Ladner.

New Chance: Interim Findings on a Comprehensive Program for Disadvantaged Young Mothers and Their Children. 1994. Janet Quint, Denise Polit, Hans Bos, George Cave.

New Chance: The Cost Analysis of a Comprehensive Program for Disadvantaged Young Mothers and Their Children. Working Paper. 1994. Barbara Fink.

Project Redirection

A test of a comprehensive program of services for pregnant and parenting teenagers.

The Challenge of Serving Teenage Mothers: Lessons from Project Redirection. Monograph. 1988. Denise Polit, Janet Quint, James Riccio.

The Community Service Projects

A test of a New York State teenage pregnancy prevention and services initiative.

The Community Service Projects: Final Report on a New York State Adolescent Pregnancy Prevention and Services Program. 1988. Cynthia Guy, Lawrence Bailis, David Palasits, Kay Sherwood.

The Parents' Fair Share Demonstration

A demonstration aimed at reducing child poverty by increasing the job-holding, earnings, and child support payments of unemployed, noncustodial parents (usually fathers) of children receiving public assistance.

Caring and Paying: What Fathers and Mothers Say About Child Support. 1992. Frank Furstenberg, Jr., Kay Sherwood, Mercer Sullivan.

Child Support Enforcement: A Case Study. Working Paper. 1993. Dan Bloom.

Matching Opportunities to Obligations: Lessons for Child Support Reform from the Parents' Fair Share Pilot Phase. 1994. Dan Bloom, Kay Sherwood.

Low-Income Parents and the Parents' Fair Share Demonstration: An Early Qualitative Look at Low-Income Noncustodial Parents (NCPs) and How One Policy Initiative Has Attempted to Improve Their Ability to Pay Child Support. 1996. Earl Johnson, Fred Doolittle.

The National Supported Work Demonstration

A test of a transitional work experience program for four disadvantaged groups.

Summary and Findings of the National Supported Work Demonstration. 1980. MDRC Board of Directors.

The Section 3 Study

Lessons from the Field on the Implementation of Section 3 (U.S. Department of Housing and Urban Development, Office of Policy Development and Research). 1996. Maxine Bailey, Suzanne Lynn.

About MDRC

The Manpower Demonstration Research Corporation (MDRC) is a nonprofit social policy research organization founded in 1974 and located in New York City and San Francisco. Its mission is to design and rigorously field-test promising education and employment-related programs aimed at improving the well-being of disadvantaged adults and youth, and to provide policymakers and practitioners with reliable evidence on the effectiveness of social programs. Through this work, and its technical assistance to program administrators, MDRC seeks to enhance the quality of public policies and programs. MDRC actively disseminates the results of its research through its publications and through interchanges with a broad audience of policymakers and practitioners; state, local, and federal officials; program planners and operators; the funding community; educators; scholars; community and national organizations; the media; and the general public.

Over the past two decades—working in partnership with more than forty states, the federal government, scores of communities, and numerous private philanthropies—MDRC has developed and studied more than three dozen promising social policy initiatives.

Manpower Demonstration
Research Corporation

Three Park Avenue
New York, New York 10016
(212) 532-3200

88 Kearny Street, Suite 1800
San Francisco, California 94108
(415) 781-3800

MDRC

BEST COPY AVAILABLE